# Daily Report

# Central Eurasia

FBIS-SOV-95-234
Wednesday
6 December 1995

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# Daily Report
## Central Eurasia

*FBIS-SOV-95-234* *6 December 1995*

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## Key Developments

**FBIS Duma Election Report 4 Dec (#14)**

*WA0612013895*

[FBIS Media Note]

**Recent Developments**

***Luzhkov Gives Tacit Support to Social-Democrats*** Moscow Mayor Yuriy Luzhkov appeared on tape in the Social-Democrats party's free campaign spot aired on 1 December (ORT, RTV) and gave the party a tacit endorsement. Shown in a roundtable discussion with party leader and former Moscow Mayor Gavriil Popov, Luzhkov asserted that "social democracy as a political system is the only alternative capable of saving Russia." Luzhkov said he regards social democracy "with so much enthusiasm and so much respect" because it provides "a political center; it is gradually emerging as an objective from all our extreme situations, from all our flings from one side to another." He also claimed that social democracy offers a "mixed economy" that is oriented toward supporting the less fortunate. Although Luzhkov did not explicitly endorse the Social-Democrats, he has not been observed to have disavowed the airing of the tape during the party's campaign spots.

KOMMERSANT-DAILY (30 September) reported that Luzhkov had blocked Premier Viktor Chernomyrdin's Russia Is Our Home (NDR) bloc from fielding candidates in Moscow's 15 districts. An examination of the roster of registered candidates running in Moscow's districts—published in the 28 November KURANTY—shows that none of them are listed as running under the NDR banner.

***NDR Discloses Sources of Financing*** Following reports that Central Electoral Commission (TsIK) Chairman Nikolay Ryabov had "warned" NDR that he is "suspicious" about the bloc's finances (see FBIS Duma Election Report 1 December), NDR leaders are rushing to publicly show that the bloc is operating above board. Yuriy Sizov, a deputy chairman on NDR's executive committee, told IZVESTIYA's Vitaliy Kononenko (2 December) that the NDR executive committee had sent a letter to Ryabov stating that staffers at the Russian State Savings Bank had deliberately delayed funds transfers from NDR sponsors. According to another NDR executive committee deputy chairman, Valeriy Grebennikov, as of 29 November the bloc had 6.6 billion rubles (R) in its "election fund" account.

Citing "documents" provided by the NDR executive committee, Kononenko reported that "approximately 30 industrial and financial structures" have already "transferred" money to NDR's account and "another 40" have already announced their "readiness to do likewise in the very near future." According to Kononenko, the list of contributors includes banks, "above all the Promradtekhbank, which services the military-industrial complex," Avtovaz, and "of course Gazprom." Citing sources in NDR's "headquarters," he reported that "in the next few days" the number of "big and medium sponsors will rise considerably." Kononenko commented that "it is interesting that there are very few private donations in the NDR election fund account."

***More on Parties' Sources of Funding*** Citing information from the TsIK, ITAR-TASS and Moscow Radio (1 December) reported sources and amounts of major campaign contributions for several parties:

- Yabloko: Suprimeksbank and its subsidiaries—"several hundred million rubles;" the "School for the Deaf" and the Ministry of Health's "outpatient clinic"—R87.4 million.
- LDPR: Tiko Bank—R165.3 million. Moscow Radio reported that the LDPR "has received the most donations from legal entities," including contributions from the Ogonek closed joint-stock company, the Caucasus concern, and the Russian Confederation of Independent Trade Unions.
- NDR: Eight unnamed sponsors—R655.4 million. Moscow Radio reported that NDR has received money from the Krasnaya Ploshchad closed joint-stock trust, Eurotrust, Euroholding, and "others."
- Ivan Rybkin's Bloc: Evromet design bureau and Mosvodokanalbank—no amount listed.
- Kedr: Yukos Oil Company—R87 million.
- Beer Lovers' Party: Promradtekhbank, MBTS-Banks and others—R490.4 million.

LDPR and CPRF have gotten the most contributions from individuals. The LDPR has netted nearly R1 billion from 767 individuals and the CPRF over R140 million from 396 individuals. ITAR-TASS reported that 66 individuals have contributed a total of more than R86.5 million to Nikolay Lysenko's National-Republican Party of Russia.

**In the Provinces**

***KRO Seeking To Boost Support in Urals Region*** Congress of Russian Communities (KRO) leaders Yuriy Skokov and Lt. Gen. Aleksandr Lebed began a week-long campaign swing through the Urals, according to INTERFAX (4 December). The trip will include stops in Orenburg, Chelyabinsk, and Perm. KRO staffers told INTERFAX that one of the main goals of the campaign stop is to "shape a public movement capable of exercising control over the executive authorities"—a reference to KRO's efforts to collect signatures to

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initiate a referendum on government accountability (see FBIS Duma Election Report 21 November).

***NDR Worried About Its Chances in Siberia*** During a 2 December campaign stop in Kemerovo, NDR campaign chairman Sergey Belyayev said that a poll conducted by the bloc's Novosibirsk branch indicated that "only 1.5-2 percent of Siberian residents" support NDR. Noting that NDR's "leadership" is "concerned" about the bloc's "low popularity" in Siberia, Belyayev blamed the bloc's regional branches, asserting that they have conducted a "poorly-organized" campaign, and announced that the bloc "will have to use all our reserves in order to carry out a more successful election campaign in the region" (INTERFAX, 3 December).

***Most Voters in Ingushetia Are Refugees*** Citing Ingushetia's acting prosecutor Valentin Volvach, INTERFAX (3 December) reported that "the majority of voters" who will come to the polls in the republic are "refugees from other Russian republics." According to Volvach, nearly 60,000 refugees from Chechnya and 80,000 refugees from neighboring North Ossetia have been registered to vote in Ingushetia and the number of voters among the Ingush population is "much smaller."

**The Media Beat**

***State TV News Program Takes Poke at Zhirinovskiy*** At least one state-owned television channel appears to be trying to show Liberal-Democratic Party of Russia (LDPR) leader Vladimir Zhirinovskiy at his worst, a tactic that backfired in the Duma elections two years ago. Mocking Zhirinovskiy's efforts to boost his popularity among women, ORT's "Vremya" news program (1 December) aired a recording of Zhirinovskiy boasting of his sexual prowess and stamina during a press conference in Moscow that day. Among other comments, Zhirinovskiy claimed that many women who "sleep alone in an empty, cold bed at night attack me during the daytime."

***Administration Paper Continues Trashing Duma Election Law*** The Presidential Administration-sponsored newspaper ROSSIYSKIYE VESTI is continuing to raise questions about the legitimacy of the law on Duma elections. Staff writer Nikolay Valentinov asserted in the paper's 30 November issue that the Constitutional Court's refusal to consider inquiries lodged by the Supreme Court and Duma deputies about the law's 5 percent threshold provision "has not removed doubts" about the constitutionality of the law. He claimed "it is no secret to anyone" that the law "is not legitimate," has "countless unconstitutional legal loopholes," and holding elections based on the law as it exists "means electing an illegitimate Duma."

Lyubov Tsukanova, one of ROSSIYSKIYE VESTI's most prominent writers, claimed in the paper's 2 December issue that a Duma elected on the basis of the law as it currently stands may not represent "the majority of voters" and would be "a serious blow to representational democracy." Asserting that parties and blocs that fail to surmount the 5 percent barrier will likely lodge legal protests, she asserted that the court "will hardly be able after the elections to avoid the solution of the question which it faced on the eve of the elections and was not taken into account." Tsukanova argued that legislators could "rectify" the law "relatively easily" before the elections because the post-election scenario "could require immeasurably harder and more dramatic efforts."

***Filatov Dresses Paper Down for Article Critical of NDR*** The administration newspaper ROSSIYSKIYE VESTI published a letter by Presidential Administration Chief Sergey Filatov on 2 December in which he chastises the paper for publishing an article titled "Russia Is Our Home: Halfway to a Planned Defeat?" in its 22 November issue. Filatov asserted that publication of such an article in a paper "founded" by the administration "was a gross error on the part of the newspaper's leadership" because it "does not reflect the real state of affairs." According to Filatov, such articles "should have no trace of 'scandal,' insults or, effectively, bias. The reader has the right to expect from your newspaper in-depth, comprehensive analysis that enables him to grasp what is going on." Observing that the article on Russia Is Our Home "is not notable for such an approach, to put it mildly," Filatov ended his letter by saying that "it is extremely deplorable when experienced journalists lose their sense of proportion and, importantly, their sense of responsibility in their pursuit of sensations and their fight to boost circulation."

**NDR Denies Local Authorities 'Forced' To Put Up Posters**

*MK0512145295 Moscow MOSKOVSKIY KOMSOMOLETS in Russian 5 Dec 95 p 1*

[Report by Vladimir Novikov: "Chernomyrdin Bloc Campaigns on Credit? The Party of Power Prefers Not To Throw Its Money Around"]

[FBIS Translated Text] All Muscovites and nearly all visitors arriving in Moscow have been able to enjoy the masterpiece of "Russia Is Our Home" [NDR]: A poster with Premier Chernomyrdin's countenance. It is said that having had their fill of looking at these ads, even government staffers, to say nothing of the rest of the population, have started greeting each other by folding their hands so as to form the silhouette of a roof.

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But this is all fiddlesticks. It is much more interesting to learn where such a production originates and how much it costs.

It is an open secret that the Central Electoral Commission [TsIK] keeps track of all funds of electoral blocs and associations, which are held at the Sberbank [Savings Bank]. Once every few days the TsIK issues an official certificate on funds deposited in the parties' Sberbank accounts. MOSKOVSKIY KOMSOMOLETS was told by the TsIK press service that, as of 24 November, the NDR had 3,235,400,000 rubles [R] in its account. At first sight this would seem to be a fairly considerable sum....

By advertising specialists' estimates, every banner with the good-humored premier costs about R3 million a month (manufacturing costs plus rent). There are at least several dozen billboards with such posters in Moscow. It is not difficult to calculate that the NDR's funds kept at the Sberbank are just enough to pay for 1,000 such billboards with posters. For immense Russia this is a drop in the ocean, there is no denying it. But then how can it pay for television and other air time, or other campaign delights for that matter (if all the money is spent on billboards and posters) — this is a mystery.

According to one theory learned by MOSKOVSKIY KOMSOMOLETS from confidential sources, the story of putting up the ads featuring the prime minister on street display stands is as follows. There is a U.S. advertising firm called BBDO [Bi Bi Dio in the original]. One of its managers recently left this agency so as fully to devote himself to the NDR's advertising campaign. It is a completely different firm, however, that is in charge of running it, namely, the "Tikhaya Gavan" advertising agency, which has been carrying out the first stage of the NDR's promotional effort (including the development of its advertising campaign concept). But this is not the most interesting thing yet. Rumors have it that not so long ago posters with the premier's countenance were sent to all the prefectures of Moscow with the accompanying request that they be put up at all costs on billboards and display stands in corresponding districts. Naturally, the prefects will have no choice but to pressure billboard owners (other advertising firms) to put up this production without delay. According to information from the same sources, there is no talk about rental rates or any similar nonsense at all.

In such situations it is, as a rule, the billboard owners who end up losing money: They may have different plans, their agreements with partners go down the drain, and contract terms are not complied with, which causes huge contractual sanctions and other problems.

It follows from this theory that the Chernomyrdin bloc is advertising on credit — and that not one kopeck has been paid for the premier's countenance eyeing Muscovites, shivering with cold, from the NDR's billboards, even though its Sberbank account is far from empty.

Gennadiy Shipilov, deputy chief of the NDR electoral staff, commented on MOSKOVSKIY KOMSOMOLETS' information as follows. He thought it necessary to point out that the NDR had had no problems regarding the payments for these advertisements. "Maybe some payments have not come through yet, but on the whole we have had no scandals yet in that regard." Gennadiy Alekseyevich dismissed reports that the posters are being put up nearly by force via the prefectures as a gross fabrication. "In Moscow we have advertising posters put up as all the others do — through an advertising agency: They glue them for us as they do for anyone else. Money for this purpose is taken from our official account at the Sberbank."

### KRO Calls For Referendum on Living Standards

*LD0512204295 Moscow INTERFAX in English 1925 GMT 5 Dec 95*

[FBIS Transcribed Text] CHELYABINSK, Dec 5 (INTERFAX-Eurasia) — Leader of the Congress of Russian Communities (CRC) [KRO] Yuriy Skokov told INTERFAX-Eurasia in Chelyabinsk that the CRC planned to organize a "popular crusade" for a referendum on living standards.

The CRC has proposed that the referendum be held for fixing a special provision on living standards in the constitution.

"The CRC proposes that the people express their will and that the constitution write down that appropriate living standards are the purpose of all reforms and state policy,' Skokov said. "Living standards should be a measure for assessing the performance of the government and the president," he said.

The CRC leaders have begun an election tour across the Urals. They said they wanted the Urals residents to support the idea of the referendum.

Skokov told workers of the Chelyabinsk pipe factory that the CRC intended to renounce parliamentary immunity in event of their election to the State Duma.

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**Paper Lists Supporters of Agrarian Candidates**

*MM0512113295 Moscow SELSKAYA ZHIZN in Russian 5 Dec 95 p 1*

[Unattributed report under the "Elections-95" rubric: "We Support!"]

[FBIS Translated Text] To elect to the federal parliament the largest possible number of people capable of actively influencing the state's policy in the spheres of the agro-industrial complex and environmental protection — this is the main concern running through appeals currently being received by the editorial office in support of candidate deputies from the "Agrarian Party of Russia" electoral association. Those who call on Russians to vote for the agrarian representatives 17 December include:

— leaders of pedigree breeding services of the Russian Federation, Krasnodar Kray, Kabardino-Balkaria, and Tver, Lipetsk, and Voronezh Oblasts;

— a group of workers from the State Veterinary Service and veterinary science, as well as from public organizations, associations, and mass media representing the sector's interests;

— leading specialists from the Russian Hydrometeorological Service;

— leaders of "Vodstroy" and "Nechernozemagropromstroy" Joint-Stock Companies, the country's largest construction organizations;

— professional ecologists — gamekeepers, forestry specialists, agronomists, and environmental protection specialists.

**Reportage on Television, Radio Campaign Coverage**

**Yavlinskiy Cites Nizhniy Novgorod's Economy**

*LD0512211395 Moscow Russian Public Television First Channel Network in Russian 1605 GMT 5 Dec 95*

[From the "Elections '95" program]

[FBIS Translated Text] [Pavel Kasparov] I present for you once again the Yabloko bloc. Its leader Grigoriy Yavlinskiy is here in the studio. This time you have come without Yabloko?

[Yavlinskiy] Yes, this time I have come without Yabloko. I would like to say to my dear voters that I have the opportunity to meet them and each time, apart from those times when I have to go away to meet voters in the Far East — I have just been to Siberia and the Urals — I always try to come, myself, and say what I want to say to my voters, so I thank you for giving me this opportunity.

[Kasparov] You are welcome. Grigoriy Alekseyevich, the last two times you departed a little from the specifics of your practical economic and political activities. What can you say today about the essence of your economic and, naturally, your political proposals?

[Yavlinskiy] Today I would like to say that the practical side of what we have done and what we are doing consists of several layers. In particular, I would like to speak a little about what we have done and what we are doing in Nizhniy Novgorod. I have just come from there. I have obtained new figures on the results, which I will speak about.

The essence of the project that we drew up for Nizhniy Novgorod was that we considered and we still consider that everything that we are doing in the economy should start from the places where people live. Literally, from the streets and the places where they work. Only reforms that proceed from real people, which explain how specific people, their children and the old, are to live in the conditions that exist today and how to put all this right — only such reforms make sense.

[Kasparov] Are you saying that the people in Nizhniy Novgorod already know how to live?

[Yavlinskiy] I would like to say that the whole range of special programs that we have put into operation in Nizhniy Novgorod are working. The first of these is a program of targeted social support. The second program is the program that was connected with the issuing of regional loans. We avoided the situation whereby people handed their money to pyramid organizations and went along the path of creating regional loans. In 1992 we issued a loan of 10 billion rubles. All of this loan was bought up. People trusted it and thus they managed to preserve a considerable proportion of their money.

[Kasparov] Against inflation?

[Yavlinskiy] Of course. They are now receiving very high interest rates — about 130 percent per year on the loans that we issued.

[Kasparov] Can people who are not inhabitants of Nizhniy Novgorod take advantage of these loans?

[Yavlinskiy] Yes, but it is not easy to obtain them, since they indeed enjoy great popularity. Further, a loan was issued that we prepared for housing; a telephone loan is being prepared. That is, with the money that the administration receives as a loan from the citizens, people have the opportunity to obtain and the administration has the opportunity to use this money and to build everything that is needed.

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[Kasparov] Okay. You have been busy in Nizhniy Novgorod for three years now with this experiment. Has anything really been built there?

[Yavlinskiy] First of all, I would like to tell you that this is not an experiment. We must not carry out any more experiments on people in our country. I want to tell you that this is the real life of the city. Of course, it cannot escape from the confines of the whole country, one cannot build paradise in one particular region. But much has been done.

Now I would like to tell you what has been done there with regard to the registration, the free registration, of private enterprises when in the first few weeks over 700 enterprises appeared. They all survived. Well, people had the opportunity without bureaucracy and without bribes to register their enterprise by post, which was a very important step. This, also was a very important step.

But now a new stage has arisen. What we have arrived at now is of fundamental importance. I am referring to the territorial production zones. This is an attempt to revive the military enterprises that are lying idle without military orders. Literally yesterday I was at one such enterprise, Salyut, and I would like to tell you that the people there are extremely talented. In the most complicated conditions, on the basis of the new approaches that we have employed there — in particularly, freeing them completely from taxes, freeing them from all restrictions that existed there before.

[Kasparov] But if the Defense Ministry is not buying anything?

[Yavlinskiy] That is the whole point. We transferred plant to them on lease at very low prices, at the level of the payments for communal services. Thus we gave them the opportunity to produce what they consider necessary.

[Kasparov] How are they to sell anything?

[Yavlinskiy] They do not produce military products.

[Kasparov] Ah, so that is how, excuse me.

[Yavlinskiy] They make use of the plant and make use of the economic conditions that they have been granted. They have obtained the real opportunity to produce things that people can buy. They have, as it were, obtained the opportunity to make a running start. The plant that was lying idle, the equipment that lay idle, is now giving a real and specific return.

[Kasparov] This has already happened when missile factories went over to making buckets.

[Yavlinskiy] That sort of conversion was complete stupidity. A stupid waste of our potential. When these people make things which no one else in the world knows how to make, and now they are stepping up the pace there, this is very important.

Well, you have just asked me what has been built in Nizhniy Novgorod. I will say a few words about the first results of our reforms, what practically we have managed to do, as you asked. I would like to tell you that incomes in Nizhniy Novgorod region are about 20 percent — from 20 percent to 70 percent — higher than in neighboring regions.

If you are asking me what specifically has been built, then I would like to cite a few figures. In the past four years in the region, 75 new schools have been built, 80 charity homes, boarding schools, and sanatoria for veterans.

[Kasparov] What is the teachers' pay?

[Yavlinskiy] Four thousand kilometers of roads and 70 bridges have been built and repaired. Gas has been laid on for 100,000 apartments; 30 mills have been put into operation — if you are interested in such figures.

[Kasparov] Well, I understand that you have completely worked out the statistics.

[Yavlinskiy] These are not statistics, these are results. Of course, the main thing is that this is down to the region's governor, Boris Nemtsov who is now standing for the post of governor again. It is all down to him. But you asked me about practical actions and I have the opportunity to report these actions. Three years of reforms in Nizhniy Novgorod oblast — all according to plan, according to concept, with clear targets, with clear aspirations, with an honest and wise governor, with detailed economic planning of all the main areas — produce a major effect. They have produced incomes from 20 to 70 percent higher in Nizhniy Novgorod region than in neighboring regions and this is a major result.

[Kasparov] Thank you.

### Govorukhin Advocate Notes 'Criminal Alliance'

*LD0512155395*

[FBIS Editorial Report] Moscow Russian Television Network in Russian at 0630 GMT on 5 December, as part of its "Elections '95" program broadcasts, carries an eight-minute live studio interview with Viktor Aksyuchits, representing Stanislav Govorukhin's bloc, by correspondent Nina Zvereva.

Aksyuchits speaks about the role of the current authorities in creating the situation in the country. He says: "We

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are convinced that none of the misfortunes that have befallen us today can be justified by speaking about the difficult heritage of the accursed past or the difficulties of the reforms. Everything happening to us today is a result of purposeful action. This begs the question of by whom and why. In connection with this, I recall the concept of the so-called golden billion, invented by Western intellectuals. It seems that all of the planet's resources are only sufficient to support the artificially high standard of living in the Western countries. The golden billion only reaches the people of Western Europe and North America. It seems that they need the resources of rich Russia. How are they going to lay their hands on our resources? First of all, they need to destroy our state, the military-industrial complex, and the army. So that is the first question.

"It may perhaps be far from coincidental that the reforms as prescribed by the International Monetary Fund are destroying both the military-industrial complex, with its modern technology, and the army. Once they have been destroyed, raw materials will start to be taken out of Russia in an unprecedented fashion.

"Moreover, the world financial oligarchy needs Russia's vast resources. All of the great wars in the world were conducted over sources of raw materials and for retail markets, the necessary retail markets."

After repeating his view that the West is intent on grabbing Russia's resources, Aksyuchits continues: "The industrial countries also need our scientific and cultural achievements; and the reforms are, as if by command, destroying our culture, our unique education system, science, and there is an organized brain drain, with our eminent scientists serving their universities and institutes for wretchedly small payments."

Russia's traditional religion is also under threat, and this is only possible because of the authorities' complicity, he says: "None of this would be possible without the criminal alliance between the world financial oligarchy and those in power today. Why does this exist? Because our authorities need unrestrained power and unrestrained enrichment as well. To achieve this, they had to destroy the country, the economy, and the army. I must say that the real, true aim of the reforms of Gaydar and Chernomyrdin was to create the conditions to enrich the ruling class."

Aksyuchits continues, stating that the ruling class is not able to enrich the people, only itself. He then speaks about the current authorities' policies of waging war, saying: "We see that our regime is organizing local wars. They need fear, they need to keep society in a state of fear. This explains the whole bloody phantasmagoria in Chechnya; and incidentally, Chechnya can be blamed for the impoverishment and growth in prices."

He then calls for everyone to vote and to vote for reasonable politicians. The slot ends with a commercial for the bloc.

### Gaydar Speaks for Democratic Choice

*LD0512221495*

[FBIS Editorial Report] Moscow Mayak Radio Network in Russian at 0400 GMT on 5 December carries in its 30-minute election slot a recorded studio broadcast by Yegor Gaydar on behalf of the Russia's Democratic Choice-United Democrats bloc. Gaydar talks about the reasons for the present economic problems in Russia, then moves on to outline his views on the country's economic problems. He says:

"In 1991, when my government began to work, we said we needed three years to launch the mechanism of economic growth based on the market economy. In the first year we would eliminate food lines and make the ruble convertible. In the second year we would stop price hikes and create a stable national currency. And in the third year we would increase the economic growth based on private savings and private investment.

"The experience of the countries — our far and near neighbors who were previously in a situation similar to ours — shows that the countries that implemented consistent and decisive transformation to a market economy all enjoyed subsequent economic and industrial growth. Because reforms in Russia were interrupted, we are getting a mixture of high inflation, price hikes, production decline, and an ever-widening gap between rich and poor.

"What needs to be done to make the Russian industry work again, to make it grow? We need three elementary, simple, and achievable conditions. The first of these conditions is a stable national currency. Wherever national currency is not stable, industry collapses. But every post-socialist country that managed to maintain a stable national currency achieved industrial growth."

Gaydar goes on to talk about disadvantages of inflation, flight of capital abroad, and concentration of capital in short-term, speculative high-interest deposits at home. He says:

"To force the banks to invest their money in industry, they should be denied opportunity of making high profits in short-term speculative operations. This is why the stopping of the money-printing machine always means turning back the flow of capital. It means the money will go back the country and not out of it.

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Financial speculations should lose their appeal. This means only the banks that learn to invest in domestic industry will have serious chance of staying afloat.

"This is the first condition. But we need another two. One of these is getting more topical today. It is the guarantee of private property. Private savings and private investment is the only possible moving force of economic growth in Russia for the next few years. This means people should take money from their own pockets and invest it into their own domestic industry. But do you think they will be willing to do this if they know that somebody can come and take it away from them any time?

"This is why the question of private property rights is not a private question; it is the question of economic growth in Russia. Our position on this is extremely simple: We were fighting and will continue to fight for the law protecting private property in Russia to a maximum degree.

"The third condition is taxation. The present taxation system is, in effect, unfortunately working against the economic growth. The main fault here is the vast number of the existing tax allowances and tax exemptions and most of the people engaged in speculative operations use them to their advantage.

"The list of tax exemptions and individual allowances should be reduced to a minimum — many of these taxes are simply ineffective today. The general level of taxation can be then gradually reduced and all tax loopholes closed.

"In short: stable currency, stable guarantee of private property, and a simple taxation system."

Gaydar then answers questions from listeners on topics ranging from his artistic tastes to everyday problems of ordinary people.

## Regional Activities

### Kozyrev Supporter Says Reelection Chances 'Good'

*LD0512202895 Moscow INTERFAX in English 1811 GMT 5 Dec 95*

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MURMANSK, Dec 5 (INTERFAX) — Foreign Minister Andrey Kozyrev running for reelection to the Duma in Murmansk region as an independent candidate has good chances of keeping his seat in the lower house of parliament, a source in his support group told INTERFAX Tuesday.

In keeping with the constitution Kozyrev will have to resign from his ministerial post in the event of being elected.

The source recalled that in the 1993 Duma elections Kozyrev took the upper hand over nine rivals.

This time the foreign minister has about 15 competitors, among them Lyubov Zhirinovskaya, a sister of the Liberal Democratic leader. "Nobody can deny that the minister has rivals. But it is very unlikely that anyone of them will manage to collect more votes than Kozyrev," the activist said.

"It should be noted that Northerners generally are very cautious about new people, especially officials from Moscow. Kozyrev is a rare exception. During his term he paid much time and effort on local affairs and the people of Murmansk appreciate that," he said.

On the whole the election campaign in the region is civilized, without political passions or outbursts, the activist said.

Before Dec. 17 Kozyrev is planning at least one more visit to his electoral district, if his ministerial schedule permits that. It might take place shortly after the minister's return from a tour of several European countries.

Kozyrev is departing for Brussels Tuesday evening. From there he will fly to Budapest and London. He is expected to return to Moscow on Dec. 9.

### Military Paper Views Election Role in Chechnya

*MM0412123995 Moscow KRASNAYA ZVEZDA in Russian 2 Dec 95 p 1*

[Article by Anatoliy Stasovskiy: "Elections in Chechnya — Chance for Peaceful Settlement of Situation. It Must Not Be Missed"]

[FBIS Translated Text] Today everything connected with the 17 December State Duma elections (one deputy is to be elected from the Chechen Republic to the lower chamber of the Russian parliament — author) and the election of the head of the republic is coming to the fore in Chechnya, overshadowing other less topical problems. Actually, as before neither politicians nor experts nor representatives of the mass media are in unity over the issue of the elections on Chechnya. The situation is indeed very complex. Elections in the Chechen Republic — and this is being admitted by an increasing number of state and political figures, are the most feasible and closest path to a settlement. Their successful holding will enable the republic to return to the constitutional and legal sphere of the Russian Federation and will confirm that the state of affairs, however complex, is nonetheless under the control of forces which advocate stability and the peaceful solution of the crisis and that people have faith in those forces.

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It is the holding of the elections which like nothing else in the foreseeable future can play a consolidating role in Chechnya.

...That is why Dudayev and his entourage so dislike elections in the republic. That is why they are against the people's free expression of their will. For them this will be, without exaggeration, a mortal blow — if any initiative leaves Dudayev's hands he will simply cease to be a central figure. And it will be impossible to correct anything even by force of arms.

It is no accident that his supporters are scrupulously elaborating a tactic for disrupting the elections. As Movlyadi Udugov, leader of Dudayev's press center, announced recently, the "committee for the defense of Ichkeria" focuses attention on one question — how to counter the holding of elections. A few days ago the heads of the administrations of the population centers and field commanders were invited to a session of this committee. The session, chaired by Dudayev, resulted in the "adoption of the final plan of measures to prevent the illegal elections." No one is saying what exactly this plan contains. But it is very easy to guess. One avenue of the gunmen's "work" is intimidation, primarily of the Russian population left in Chechnya. Just a day after this conference a Russian family was shot down in central Groznyy by persons unknown. The murder happened in Leninskiy Rayon. The criminals broke into the apartment of the 48-year-old Aleksey Yevseyev, a fitter at the city's no. 2 heat and electric power station and opened fire from assault rifles. Aleksey Yevseyev and his wife Miroslava were killed....

Nonetheless, to all appearances even the atrocities will not stop elections being held in Chechnya. The republican electoral commission has already registered eight State Duma candidate deputies and four candidates for the post of head of the Chechen Republic. The leader of the Chechen Government press service, Ruslan Martagov, has stated that "no threats and acts of provocation will be able to wreck the elections scheduled for 17 December in the republic."

The Chechen Republic Supreme Council has also galvanized preparation for the elections. Mobile groups of propaganda worker deputies have been formed and sent to remote regions of Chechnya. Their brief, in particular, is to help the authorities ensure that the voters can express their will freely. The Russian Federation Central Electoral Commission is not standing aloof. To organize parliamentary elections on the territory of Chechnya 1.8 billion rubles [R] have already been earmarked. The Central Electoral Commission intends to earmark about another R2 billion. Moreover, Central Electoral Commission Chairman Nikolay Ryabov has reported, over 200 territorial electoral commissions have already been created in the Chechen Republic. Ryabov himself is also sure that the elections to the Duma in Chechnya will take place and will proceed in accordance with the law.

Of course, today there are doubts as to whether the inhabitants of the Chechen Republic will express their will in full at the elections since a substantial proportion of the republic's population, primarily the Russians, has left Chechnya. But it is one thing when this is mentioned with concern by those who are indeed interested in regulating the situation and ending the bloodshed and quite another when the fine words conceal only attempts to cobble together political capital and to attract attention on the eve of the State Duma elections. After all, in voicing doubts and even quite sharp disagreement with the holding of elections in Chechnya until the conflict is full resolved, some politicians are not trying to offer any constructive and realistic ways of getting out of the existing situation. We disagree, they say, and that is all.... So are we to have war until the mythical victorious end or a situation which is "neither war nor peace" and which almost every day takes the lives of young Russian boys? This faceless purely populist position often circulated primarily in the mass media, for inexplicable reasons, can bring nothing but harm. That is obvious.

Nonetheless there is much that attests that there is a chance of stabilizing the situation in the Chechen Republic as a result of the elections and there is a possibility of implementing that chance successfully. For instance, the fact that representatives of the Chechen diaspora in Moscow and other people esteemed in Chechnya are increasingly actively in favor of the idea of holding the election of the head of the republic and the Russian State Duma deputies simultaneously in Chechnya. Militia Major General Aslambek Aslakhanov believes that the election of the head of the Chechen Republic will help put an end to tyranny in the republic and will consolidate the people for the struggle against terrorism. According to Aslakhanov, who enjoys great authority in Chechnya and is registered there as a candidate deputy to the Russian Federation State Duma, people in the republic are tired of the lack of power when a man with an assault rifle and explosives rules.

Who would dispute the fact that the situation in Chechnya is not entirely favorable to elections. And it is politically ignorant, to put it mildly, to count on everything being in order merely thanks to the federal forces, which control about 80 percent of Chechnya's territory. People will come to the polling places only as a result of painstaking, punctilious, and subtle campaigning work. To all appearances the candidates to the post of head

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of the republic are beginning to understand that. At any rate one of the main contenders for the post of president of Chechnya — Doku Zavgayev — has clearly stated the main aims of his election program. They are the stabilization of the military-political situation, the return of the republic to normal life, the restoration of industry and the social sphere, and the creation of conditions for uniting the nation.... "Russia and Chechnya must live in peace and concord," Zavgayev has said.

Similar ideas are included in the election platforms of other candidates for the post of head of the republic. Let me remind you that they include Ruslan Khasbulatov, former speaker of the Russian parliament, the clairvoyant Movsar Aduyev, and the journalist Lecha Saligov.

The events of the past week attest that Doku Zavgayev's popularity rating has begun to increase rapidly. This is confirmed also by the fact that 28 November an initiative group to nominate the former communist party oblast committee secretary and later chairman of the Checheno-Ingushetia Supreme Soviet Doku Zavgayev for the post of head of the Chechen Republic submitted to the Central Electoral Commission 15,000 signatures supporting him instead of the required 5,000 and now he has been officially registered as a candidate.

Preparation for the election of deputies from Chechnya to the Russian Federation State Duma is under way very actively. Eight candidates have already been registered and they will contend for one seat in the Russian parliament. The interest generated by the election campaign attests that in the Chechen Republic there are authoritative people seeking to work in the Duma and understanding the political importance of Chechnya's representation in the Russian parliament.

Of course of themselves the elections are not a panacea. Initially, on the eve of the election and immediately after the election of the head of the republic and the State Duma deputy from Chechnya, in my view the situation could even become somewhat more complicated through the fault of certain forces. But if the elections pass successfully then this will most likely be one of the last if not the last eruption of armed activity by Dudayev's regime. With the solution of what is the main problem today — the legitimization of power — Chechnya and the Chechen people would receive a chance of a peaceful settlement. And that chance must be used.

**Musayev Withdraws From Race in Chechnya**

*LD0512174695 Moscow ITAR-TASS in English 1733 GMT 5 Dec 95*

[By Aleksandr Kharchenko]

[FBIS Transcribed Text] GROZNYY, December 5 (ITAR-TASS) — Lechi Musayev, vice chairman of Chechnya's Committee for National Accord, on Tuesday withdrew from election race to the federal legislature, sources at the local election commission told ITAR-TASS.

Musayev, anti-Dudayev opposition member, said it would be inappropriate to hold elections to the Russian lower house in Chechnya before local authorities are picked in the republic.

Six candidates from Chechnya will compete for one seat in the Duma, the sources said.

Groznyy election commission staffers refuted rumours about Ruslan Khasbulatov's alleged withdrawal from the local election race. Chechnya is scheduled to elect its new leader on December 17, when Russia will hold its parliamentary polls.

The sources said Khasbulatov's supporters have become much more active since the former Russian speaker arrived to Chechnya.

Meanwhile, Salambek Khadzhiyev, until recently the head of Chechnya's Government for National Revival, urged to postpone elections in Chechnya "until nationwide accord is reached."

Khadzhiyev was more than skeptical about the elections' possible power-consolidating effect.

"Even if they come true," such elections will split the Chechen people into warring groups, Khadzhiyev said in a statement which appealed to "the population of the Chechen Republic, all political forces, the republic's government, and armed militiamen."

Khadzhiyev urged the Chechen public and all parties and groups in concern "to think over the fate of their people, to give up ambitions, to forget hatred and grudges, to sit at the negotiating table and reach universal accord by way of mutual compromise."

He said that an open dialogue between those who formerly were bitter political enemies, is now possible in Chechnya. "Outlines of a republic-wide accord have become slightly visible," he said.

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### Regional Editors Hold Conference on Campaign

*LD0512145595 Moscow ITAR-TASS in English 1352 GMT 5 Dec 95*

[By Tamara Ivanova]

[FBIS Transcribed Text] MOSCOW, December 5 (ITAR-TASS) — The role of the regional media during the election campaign, the degree of their influence on voters turnout, legal and ethical aspects of journalists' activity were the main themes of a conference of editors of regional newspapers which opened on Tuesday. The meeting which attracted more than 50 representatives of various Russian regions was organised by Globus independent press syndicate.

This non-commercial organisation supplying information to the regional media was formed in December 1992. Globus's clients now include 96 dailies and weeklies in 47 Russian regions. Their weekly impress is 15 million copies.

The outcome of the election is determined in the provinces, said Viktor Davydov, the founder and chairman of Globus, opening the meeting. The development of the economic freedom of the press will be promoted by the law on state support for the mass media and bookprinting in Russia signed by the President the other day.

One of the tasks of the conference is to receive firsthand information on the programmes of parties, blocs and movements of every trend. In the morning the conference was addressed by Boris Fedorov and Ella Pamfilova who answered questions of regional editors.

Leaders of Our Home is Russia, Yabloko, Russia's Choice, the Communist Party of the Russian Federation, and others are expected to take part in the meeting. In addition, there will be a round-table conference on the subject of "The press and the power in regions". The meeting will last for two days.

### NDR's Sakhalin Election Efforts Ridiculed

*MM0412165095 Moscow PRAVDA in Russian 2 Dec 95 p 1*

[Report by Vladimir Ryabchikov: "Oil Is Not Milk and Will Not Go Bad"]

[FBIS Translated Text] Yuzhno-Sakhalinsk — Things are going none too well, in fact they are going badly for the Sakhalin organization of the Russia Is Our Home [NDR] movement. But how "Home's" supporters are trying to entice and win over voters. It has all the apparatchiks out supporting it, from village elders to chiefs of oblast departments and even vice governors. The latter are under the strictest instructions to constantly monitor what local administrators are doing to promote "Home's" interests.

Chairman of the organization's council, oblast governor I. Farkhutdinov, regularly receives reports on their efforts. But according to the results of a poll carried out recently by the oblast's most widely-read newspaper, SOVETSKIY SAKHALIN, many executive branch employees, that is those whom "Home's" leaders consider to be their main supporters, have even now not made up their minds whom to support in the coming parliamentary elections.

The discontent of these hitherto obedient and disciplined workers has deeply disturbed I. Farkhutdinov. He decided to make the ingrates see reason and explain to them — and at the same time all islanders — how they should behave and for whom they should vote, using for this purpose the newspaper GUBERNSKIYE VEDOMOSTI, which was founded by the oblast administration and is consequently under his, the governor's, control. He published his own article in it entitled: "The Worse Things Get, the Better."

But what did the Sakhalin administration head say?

In order to finish off the Communists and dissuade voters from voting for them, the chief administrator inflicted on the readers a story about the draft law "On the Division of Output" that in his opinion unmasked them. He said that it was they, the Communists, who were the main opponents of a law whose implementation promised both Russia and, of course, Sakhalin limitless prosperity.

But what has really been happening? Russia's Far East is going through an acute energy crisis. This is an old problem. Its resolution depends directly on how quickly Sakhalin's inshore shelf, which contains significant reserves of oil and gas, is developed. Russia does not possess either acceptable technologies nor sufficient investment for this. Back under Soviet power it was decided to attract foreign capital to develop the promising hydrocarbon deposits

Leading U.S. and Japanese companies united to form the "Sakhalinskaya Energiya" consortium and became involved in the project's development and implementation. However, the future investors set an unacceptable condition: The project would be implemented only if the law on the division of output was adopted. What we need, they said, are firm, reliable guarantees that the invested capital will produce a profit.

The draft law was discussed and agonized over at great length in the State Duma and was eventually adopted. But following this, the Federation Council vetoed it. The Communists had nothing to do with the veto.

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The State Duma tried to overturn the veto 17 November. But it was unsuccessful. There were noit enough votes. Some 243 voted in favor. Among those not in favor were the Communists.

Does this mean that they are opposed to seeing the inhabitants of Sakhalin and the Kurils live better? Not at all. They are opposed to the plundering of Russia's national assets.

The Sakhalin governor's linkage of Sakhalin's prosperity to a law which has not yet been enacted serves no purpose. The investors are in no hurry to implement the project. The most important thing for them is to secure the deposit. As they say, oil and gas are not milk — they will not go bad.

Does Sakhalin's governor know about this? For sure. He is worried not so much about the future of the law and the well-being of Sakhalin residents under his wardship as about the fate of the present authorities, which do not wish to part with their gains. It really is worth the voters' having a good think about whom to give parliamentary mandates on 17 December.

## Forecasts & Commentary

### Rybkin Predicts No Clear-Cut Election Result

*MM0512145795 Moscow PRAVDA in Russian 5 Dec 95 p 2*

[Interview with Ivan Rybkin, chairman of the State Duma, by Boris Slavin, place and date not given: "The State Duma Chairman's Political Forecast. Ivan Rybkin: 'These Elections Will Produce Unexpected Results'" — first two paragraphs are PRAVDA introduction]

[FBIS Translated Text] The discussion regarding amendments to the law on elections is assuming an increasingly acute character. The Constitutional Court has sent the deputies' statement on the unconstitutionality of the 5-percent barrier back to the Duma. By all accounts, however, deputies do not want to examine this question. What does Ivan Petrovich Rybkin think about this?

We offer readers a chance to judge for themselves and assess the Duma chairman's viewpoint.

[Slavin] Ivan Petrovich, Vyacheslav Nikonov, a representative of your election bloc, has submitted a statement to the Constitutional Court on the unconstitutionality of the 5-percent barrier in Duma elections. Did you encourage this statement?

[Rybkin] No, I did not. That is quite definite. Duma deputies are sovereign in their decisions.

[Slavin] But how will this problem be resolved in the Duma?

[Rybkin] I do not think that it will be resolved at all.

[Slavin] So after the elections there could be a question raised about its legitimacy?

[Rybkin] Indeed.

[Slavin] Does this mean that ultimately the election problem will be quietly "sorted out"?

[Rybkin] This must be understood. I cannot force my attitude on anyone but I consider it my duty to speak about this.

[Slavin] The Duma's term is drawing to a close. What do you regard as the most important result of its work?

[Rybkin] Under the Constitution the State Duma is assigned the role of a legislative assembly. In the two years of its existence it has adopted whole sets of laws including laws on the election of the president and of State Duma deputies, on the procedure for forming the Federation Council, on the main guarantees of citizens' voting rights, on the referendum, and on local self-government.

[Slavin] What has the Duma not done or omitted to do?

[Rybkin] Until 1993 the country's budget was often approved after financial expenditure had already gone through. It was not until the 1994, 1995, and 1996 budgets that the budget was approved on time. The Duma with its restricted monitoring functions was unable to adopt a law on the human rights commissioner. In July we adopted the land code although admittedly not in its definitive form. But here, as they say, it is necessary to make haste slowly. These two years have been difficult. The Duma failed to bring the privatization problem under its control. As a result privatization in the country is proceeding in a haphazard way.

[Slavin] Will you be in the new Duma?

[Rybkin] I hope to win Aninskiy District no. 74.

Generally speaking these elections will produce surprise results for many parties and movements. However, it is very bad that we failed to create a powerful left-center bloc.

[Slavin] How much truth is there to the claim that the president instructed you to create this bloc?

[Rybkin] You do not know that I was talking about the creation of such a bloc and the unification of all left-center forces two, three, even five years ago. But things changed when this idea was supported by the president and people began saying that he was playing the main role here. In this regard I want to remind you that in August 1991, when the Communist apparatus was

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driven out of the CPSU Central Committee building, I tried to bring all the cochairmen of the Communist faction together. Only Gennadiy Sayenko and Aleksandr Sokolov came to see me, the rest initially refused to take part in political life at all. I remember how after the August events I went to Boris Nikolayevich Yeltsin and asked him to convene a congress of the Communist Party along Kazakhstan's lines and was supported by all the factions of the Russian Federation Supreme Soviet He referred me to G. Burbulis. The latter said: "This is not the right time!" I began doing the rounds asking one question: "Why did you give up so easily?" The reply was silence. Then my comrades and I decided to organize a new socialist party of the working people and, as you know, held its constituent congress in fall 1991. Then there was the Constitutional Court and the formation of the Communist Party of Russia but the idea of an association was abandoned because all the left forces could not unite in the Communist Party of Russia.

[Slavin] So why was it impossible to create a powerful left-center bloc?

[Rybkin] Because of the ambitions of party leaders, I think.

[Slavin] But did you hold talks with them?

[Rybkin] Yes, I did. And they all agreed except Zyuganov, who said that the Communist Party's electorate is not the same as the other parties'. Initially everyone agreed. We planned to unite the Agrarian Party and the Russian regions. But this plan was not implemented and this will have a negative impact on all left-wing forces.

[Slavin] What disagreements did you have with the Agrarian Party?

[Rybkin] I considered it unacceptable that, for example the Agrarian Party's federal list was dominated by candidates aged 62 or more (initially that meant nine out of 12). My opinion was that it is necessary to combine wisdom and youth, experience and energy in equal proportions. But my objections were overruled.

[Slavin] But surely there are more fundamental reasons why there is no united left-wing bloc, aren't there?

[Rybkin] Of course there are. There are ideological and political divergences within the left-wing movement, particularly within the Communist movement. They surfaced as soon as the Communist Party of the Russian Federation [CPRF] was formed. At its second congress the so-called parliamentary group of Communists and those who worked in the Constitutional Court during the CPSU trial and who have today united in the society of socialist-oriented scientists were largely forced out of the leadership. You will surely remember how the congress "ditched" such people as Sklyar, Maltsev, and R. Medvedev, those who consequently refused to join the CPRF and now belong to the Socialist Party of the Working People.

The unification of the left-wing forces was not aided by the events of fall 1993 when many Communists withdrew into themselves. All these factors go a long way toward explaining why it was not possible to create a single bloc of left-center forces. That showed our weakness.

[Slavin] Has a unique historical opportunity been missed?

[Rybkin] I am afraid that the tempo of historical transformations has been lost but I am convinced that ultimately it will be possible to create a powerful labor party expressing the interests of those who live by their labor and who recognize economic, political, and ideological pluralism.

[Slavin] So do you believe that your bloc will clear the 5- percent hurdle?

[Rybkin] Yes, I am confident of that. Many parties believe that they will repeat their success of 1993 but that is a mistake.

[Slavin] What is your political forecast for the Duma election results?

[Rybkin] None of the electoral associations will win an absolute majority in the Duma (I am talking about the federal lists here). Many relaxed too soon, especially those parties which are represented in the Duma already. Some of them will not win any seats at all, even those which regard themselves as favorites, that is, those which won in the last elections. They will have to share the votes with A. Rutskoy, S. Baburin, and A. Lebed. As for the Agrarians you should know that the agrarian elite is very much under the influence of Russia Is Our Home [NDR]. Many "rickety" little craft which collected over 1 million signatures have already abandoned the mighty ship of the Agrarian Party. I think that it is too soon for any political bragging. The election results will not be clear cut. That is also why I have urged the unity of all left-center forces.

[Slavin] But what can the "government party" expect from the election results?

[Rybkin] The "government party" is the party of power. It has tradition and custom on its side. Many agree with the belief that a bird in the hand is worth two in the bush.

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[Slavin] What will the future Duma be like: left-wing or right-wing?

[Rybkin] The Duma will move to the left but not as far as many people think. It will become more socially oriented.

[Slavin] What do you think about the presidential elections? Who will be ahead: Yeltsin, Gorbachev, Zyuganov, Lebed, Zhirinovskiy, Rutskoy, or Yavlinskiy?

[Rybkin] There will be one pro-president bloc and one anti-president bloc and "Yabloko" will fluctuate between them.

[Slavin] Will you join the government if they offer you the vice premier's portfolio, for example, or something of that kind?

[Rybkin] If the government is formed on the basis of the principles of a left-center program (that is, a diversity of forms of ownership, the state regulation of the economy, the priority of the working man and his intellect and talents) then the answer is yes. But if that does not happen there will be no need for any changes.

[Slavin] After the elections can Russia expect something like the crisis in Mexico?

[Rybkin] At our bloc's congress we assessed the state of the economy as depressed stabilization: a 50-slump in production and the restriction of money supply not backed up by a supply of goods. At the same time we have accumulations of foreign currency which can either be used to renew fixed production assets or else can be squandered. If the latter option is taken the Mexican outcome is guaranteed. But both the Duma and the government are aware of this situation.

[Slavin] What are your relations with the president like?

[Rybkin] We have even-handed, working relations within the framework of the law and the Constitution. For the most part they operate within a system of accord with the Duma. There are conflicts and skirmishes, particularly at the Security Council, but eventually we arrive at the necessary decisions.

[Slavin] Have you broken faith with your earlier views during your work in the Duma?

[Rybkin] I have not changed. I have not betrayed my views or the memory of my father — a war veteran.

### Yavlinskiy Foresees New Duma Composition

*LD0512202595 Moscow Russian Public Television First Channel Network in Russian 1800 GMT 5 Dec 95*

[From the "Vremya" newscast]

[FBIS Translated Text] My face is not a part of the election campaign, Grigoriy Yavlinskiy told a meeting held at the premises of the INTERFAX agency. He was explaining the reasons behind his Yabloko 19 movement's low advertising profile of late.

However, barely a month following the Duma elections, the imagemakers will probably begin to cooperate more closely with Grigoriy Alekseyevich, since it is precisely at that time that Yavlinskiy intends to submit the documents to stand for the post of president of Russia.

Yabloko's leader thinks that in case the left-wing does regain the lost ground — that is to say the pro-communist forces win the elections — the process of the establishment of a state run by criminals will have been accelerated.

However, this is how Yavlinskiy sees the new composition of the parliament.

[begin Yavlinskiy recording] The following parties will be there: factions of communist and patriotic persuasion combined in one way or another, Russia Is Our Home, and most likely Yabloko, in some sort of conjunction with those democrats who will have been able to surmount the five percent barrier. [end recording]

### Chernomyrdin: 'No Fear' of Communist Success

*LD0412153095 Rome RAI Uno Television Network in Italian 1900 GMT 3 Dec 95*

[FBIS Translated Excerpt] [Announcer] The Russian election campaign is underway and forecasts say the neo-Communists will win but the present Russian prime minister, Viktor Chernomyrdin, has a good chance. Our correspondent, Antonio Caprarica, reports.

[Caprarica] [passage omitted] In the crowded political landscape, with its 43 parties, a nemesis for the old single party Russia, Prime Minister Viktor Chernomyrdin's bloc, Russia Is Our Home naturally enjoys all the advantages of a governing party, his adversaries allege. All the same, it is true that the same happy situation did not prevent the reformer Gaydar from taking a hammering at the polls.

[Chernomyrdin in Russian with superimposed Italian] There is no fear of an electoral success for the communists, Chernomyrdin told us calmly. In the days of the Soviet Union, everyone lived in the same conditions,

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with guaranteed income, guaranteed pension and fixed prices — presence at one's place of work was enough. Now we want to live like people do everywhere in Europe. Naturally, many are not yet used to this, and we have not yet created the necessary conditions, but there will be no return to the past. I rule that out.

### Number of Supporters Meets Expectations

*MM0512162895 Moscow RABOCHAYA TRIBUNA in Russian 5 Dec 95 p 1*

[Reply by Russian Premier Viktor Chernomyrdin to anonymous question under "The Premier Replies" rubric: "In the Interests of Stabilization"]

[FBIS Translated Text] [RABOCHAYA TRIBUNA] When you were founding the "Russia Is Our Home" [NDR] movement, did you suppose that the number of your supporters would be greater or smaller than the number today? What we mean by "the number today" is [that shown by] the results of polls.

[Chernomyrdin] I was certain that Russia is a big enough country to have a sufficient number of calm, sober-minded people, practical people, economic planners, entrepreneurs, and administrators capable of strengthening the economy during its critical transitional period without panic, desperation, or naked demagoguery and by means of specific steps, albeit small ones.

Our basic ideas — reliance on the regions, professionalism, stability — have elicited a response among working people, although the opposition hastened from all sides to label us the "party of power." We have neither the time nor the desire to argue over all sorts of labels, we have simply elaborated: Yes, this is a movement to exert practical and positive influence over the power, to eliminate its mistakes, and to correct its further actions in the interests of stabilization and the development of reform.

Since we have a movement, not a party, and there is no fixed membership, the number of supporters is considerably in excess of the number of activists. Because a group of like-minded people and partners and entire enterprises or firms forms around each one of them.

We have the institution of collective members — these are public and professional organizations with an interest in realizing the positive tasks of the NDR movement. There are more than 20 of them, including, for example, the Association of Russian Higher Educational Institutions, the Union of Landowners of Russia, which unites private farmers, the very popular "Spartak" sports society, the Association of Indigenous Small Peoples of the North, Siberia, and the Far East, the Russian Academy of Culture, the Union of Oil and Gas Industry Workers, the Union of Gold Industry Workers, etc.

The collecting of the population's signatures in support of the movement's registration with the Central Electoral Commission was a substantial test of public opinion before the elections. With a pass normative of 200,000 signatures, the NDR collected approximately 2 million signatures. Thus, I believe that the number of the movement's supporters coincides with what we expected when it was conceived.

### Yavlinskiy Blames State Policies for Communist Revival

*LD0512151795 Moscow INTERFAX in English 1433 GMT 5 Dec 95*

[FBIS Transcribed Text] MOSCOW, Dec 5 (INTERFAX) — Leader of Yabloko parliamentary group Grigory Yavlinskiy thinks the policy of the Russian cabinet is provoking a Communist comeback.

Communists have no need to advertise themselves, as the government is doing that instead by constantly holding back pensions to senior citizens and salaries to teachers, doctors and army officers, he said at a Tuesday news conference at INTERFAX.

"The success of Communists in the coming Duma elections will be a consequence of the financial policy of the government. Naturally Yabloko does not support such a policy," Yavlinskiy said.

The new parliament will consist of Communists, some of the patriots, Our Home is Russia, Yabloko and the democrats who will manage to clear the 5-percent barrier, he believes.

Our Home is Russia will have a poor showing, Yavlinsky thinks, as did Gaydar's ruling Russia's Choice in the 1993 elections. He predicted that the failure of Our Home is Russia may result in the rapid removal of the Chernomyrdin cabinet.

Democrats will be in a minority position in the new Duma, he said, and recognized the existence of big differences in the democratic camp, saying that in some single mandate districts Yabloko and Yegor Gaydar's Joint Democrats failed to put forward common candidates. "We can agree on some concrete matters, say Chechnya, the civic code and others," Yavlinskiy said.

He felt that most voters will decide about their voting preferences only five to seven days before the elections on Dec. 17.

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Yavlinskiy said that, irrespective of the election returns, he intends to run for presidency in the elections scheduled for June 16, 1996. Appropriate documents will be submitted to the Central Electoral Commission before Jan. 17.

**Belchenko Interviewed on Agrarian Movement's Role**

*MM0512135095 Moscow SELSKAYA ZHIZN in Russian 2 Dec 95 p 3*

[Interview with Vasiliy Belchenko, leader of the Agrarian Movement of Russia Executive Committee working party and chairman of the board of the Rosagrosnab Joint-Stock Company, by unnamed correspondent; place and date not given: "Don't Make a Mistake Again" — first three paragraphs are SELSKAYA ZHIZN introduction]

[FBIS Translated Text] The citizens of Russia must make their choice 17 December. And this will most probably not simply be a reflection of the personal attitude of each person who turns out to vote. The magnitude of what is involved here is greater than that — it is the country's future which is at stake.

Our newspaper has already published quite a few articles covering the Agrarians' preparations for the State Duma elections. And quite a lot of work is being done in this area. Here is just one example: The Agrarian Movement of Russia [ADR] was registered as an organization in the middle of October. This public organization is designed to give support to Agrarian candidates.

Aleksandr Zaveryukha, one of the leaders of the Agrarian Party of Russia [APR], has been elected chairman of the ADR Coordination Council. Vasiliy Belchenko, chairman of the board of the Rosagrosnab Joint-Stock Company, has been elected leader of the executive committee's working party. Our correspondent asked Vasiliy Belchenko to answer a number of questions.

[SELSKAYA ZHIZN] What, Vasiliy Mikhaylovich, is the ADR's main aim today?

[Belchenko] It has but one aim — to organize broad public support for the APR electoral association. This structure includes, in addition to the APR, the Agrarian Union, the trade union of workers in the agrarian complex, and a number of other organizations and agencies.

[SELSKAYA ZHIZN] How is your work structured?

[Belchenko] First, it is necessary to help prospective candidates make contact with voters. Second, candidates should be given the opportunity to appear in the mass media. Third, all candidates will need quite a lot of printed material: leaflets, posters, and so forth. All this demands organizational effort and material outlay.

Of course, the majority of our rivals are far richer than we are, the Agrarians' resources for mass propaganda are consequently very limited. How, for example, could we afford to pay to appear on television when it costs $25,000 per minute? We have therefore to rely more on the activists of the APR electoral association and the ADR, who do all they can to communicate the APR's election program to a broad section of voters in every home and every family.

[SELSKAYA ZHIZN] Really?

[Belchenko] Really! You very often hear people saying "But what have the Agrarians got to do with Moscow, St. Petersburg, and other major cities? You do not find your voters there, after all." But that is untrue! Apart from the fact that all the major cities consume bread, meat, milk, and vegetables, they also still have many agrarian-sector enterprises — dairies, meat combines, vegetable depots, tobacco and confectionery factories, distilleries, and bread combines.

In addition they have enterprises which produce clothes and footwear for citizens, which are also connected to the agro-industrial complex. They are all employers of city-dwellers. And who suffers when these enterprises stand idle? City-dwellers first and foremost.

So if we are able to solve the problems of state support for the countryside, we will get the whole economy on its feet. This conclusion is prompted by life itself. If the peasantry is solvent, plants producing equipment and machinery for agriculture will start up and start acquiring metal from the metallurgical workers, who will, in turn, pay promptly for the shipments of ore and coal to them, while the miners will receive their wages on time and buy their families essential foodstuffs and other products. The chain may not be an elaborate one, but it is striking — everything hinges on the peasants.

Politicians come and go, but people always need to eat. This point is illustrated in the best possible way by the membership of our movement. Let us look at it: Our electoral association's list contains both purely agro-industrial names like Ptitseprom, Plodoovoshchprom, Skotoprom, and Rosagrosnab, but you also find there the Ministry of the Environment and Natural Resources and regional farming organizations. Many Cossack organizations, land reclamation and fishing organizations, several banking and insurance structures, tractor building, health care, chemicals industry, and consumer cooperative structures, and the Russian Committee of War and Labor Veterans have also joined our movement.

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What is more, the ADR working party also has people from youth organizations and representatives of the intelligentsia on it. A spectrum which, as you see, enables one to say that the ADR sees its task as defending not just peasants' interests in the new Duma but also tackling social and legal questions as a whole throughout the country.

[SELSKAYA ZHIZN] What, Vasiliy Mikhaylovich, will the ADR's future be after the elections, will the need for this public organization evaporate?

[Belchenko] I think that the ADR has established itself as a very authoritative body at the present stage of the election campaign — both at the center and in the majority of the regions. And it scarcely makes sense to wind the structure up. On the contrary, it is necessary to strengthen it in every way possible, given that the presidential elections lie ahead. Moreover, the APR has, with our movement's help, great opportunities to play an active part in the campaign to elect heads of administration in the regions. We hope that similar elections at the level of administrative rayons are not far off. So there is plenty of work to do. [interview ends]

[postscript] The ADR Executive Committee asks leaders and collectives of enterprises and organizations sharing our views to give the movement material support, which is particularly necessary during this election period. We ask them to take note that the transfer of funds must carried out in accordance with the order on the procedure governing the formation and expenditure of a support fund. In particular, it is essential to indicate when transferring a payment order whether the enterprise has foreign capital in its incorporation capital (fund). In the absence of this the bank will not credit the transferred money to the APR Election Association's account.

The APR Electoral Association's banking details are as follows:

Current account No. IB-700104 at the Russian Federation Savings Bank Moscow Branch Central Administration, correspondent account no. 164246 at the Russian Federation Savings Bank Operations Administration, Moscow City, participant VA, sort code 44583342 (for Moscow City and Moscow Oblast).

Current account no. IB-700104 at the Russian Federation Savings Bank Moscow Branch Central Administration, correspondent account no. 164246/342161600 at the Russian Federation Savings Bank Moscow Branch Bank Operations Administration, or the Russian Federation Central Bank Main Administration Main Regional Cash Center, Moscow City, participant 83, sort code 44583001.

Recipient — APR Electoral Association.

**My Fatherland's Gromov Views Military, Chechnya**

*MK0512100895 Moscow NEZAVISIMAYA GAZETA in Russian 30 Nov 95 p 2*

[Interview with Boris Gromov, leader of "My Fatherland" electoral association, by Oleg Rubnikovich under the "Viewpoint" rubric: "A Measured Political Pace. Boris Gromov, Leader of 'My Fatherland' Electoral Association, Believes the State Should Become the Army's Underpinning"]

[FBIS Translated Excerpt] [Rubnikovich] Boris Vsevolodovich, there has been much talk recently that the Russian Army is becoming an independent political force capable of having considerable impact on the situation in Russia. What is your view of the matter: Why should a military man go into politics at all?

[Gromov] Ideally, a military man, like any civilian, goes into politics in order to defend the interests of some groups of people or other that he is going to represent. There is nothing terrible or unnatural about it — of course, provided people who have adequate knowledge and experience both in life and in politics come to the Duma, but let me emphasize, voluntarily so.

I am categorically opposed, however, to servicemen's marching to the Duma in formation and nearly at the defense minister's order. This is unlikely to be a case where quantity will turn into quality. [passage omitted]

[Rubnikovich] What do you see as the indisputable forte of the Russian Army? What are its main woes?

[Gromov] As of today I would single out the existence of the strategic nuclear forces as the Russian Armed Forces' forte. They are the security guarantor of both Russia and the CIS as a whole. Actually, at this stage this is probably the sole factor that forces the West to heed to us.

The Russian Army's woes are closely related to the shortage of funds: The Armed Forces, including their officer corps, are understrength; financing is carried out on an insufficient scale; the availability of up-to-date hardware and weapons does not exceed 50 percent; and the training of troops is also clearly inadequate. Let me cite just one example: Russian military pilots' flying time is about 31 hours per year, while this figure for their American counterparts approaches 1,200 hours. To say nothing of the lack of fuel and spare parts.

Throughout last year and during the first six months of this year only two command-and-staff exercises were held, and even those on maps.

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Unfortunately, politicians are scrambling to exploit the Army's difficulties. Premier Chernomyrdin's recent statement that the government will pay off all its debts to the military and Grachev's subsequent call on top military officials present there to vote for "Russia Is Our Home" [NDR] is a case in point. Clearly, the generals perceived the defense minister's words as an order, after which it will be brought home to servicemen from the top down. But no one has raised the question of where this money will come from or why the government has not done so before, but waited for the election campaign to start? [passage omitted]

[Rubnikovich] As a combat general, what do you think about the planning, organization, and conduct of the Chechen war, and also the prospects for ending it? How do you assess the actions of Russian troops and Chechen detachments?

[Gromov] I think that the campaign planning was inherently flawed. The entire operation was prepared and carried out without consulting the Defense Ministry's Military Collegium. I only know that a plan had been drawn up that was presented by Grachev to the Security Council and was finally approved. As to how realistic it was, the campaign results speak for themselves.

From the outset the emphasis was placed on sheer numbers, not on quality, skills, and professionalism. As a result, the expectations of a walkover brought about the situation we have now. It turned out that very well-trained mercenaries, albeit numerically inferior, may well resist a regular army, and not simply resist, but dictate their conditions.

[Rubnikovich] Don't the combat operations in Chechnya bring the Afghan war to your mind?

[Gromov] No, there are few similarities there. Still, I think that the "authors and executors" of the Chechen campaign should have drawn at least to some extent on the Afghan war experience as regards the introduction of troops, combat operations per se, and the withdrawal of the army.

I think that the Chechen campaign is our disgrace. What victory can we talk about if we have huge losses among both servicemen and civilians, a devastated and ruined republic on our country's territory, and material and financial losses running into the trillions of rubles? Yet no one would dare say with assurance that the bandits in Chechnya have been done away with.

[Rubnikovich] Which of the Russian military leaders you know is best equipped to hold the post of Russian defense minister?

[Gromov] There are such people.

**Gaydar Fears Consequences of Zyuganov Victory**

*BR0512093795 Rome L'UNITA in Italian 3 Dec 95 p 2*

[Interview with Yegor Gaydar, Russia's Democratic Choice leader, by Maddalena Tulanti in Moscow; date not given: "My Dream: A Liberal Russia"]

[FBIS Translated Excerpt] [passage omitted] [Tulanti] What will happen if Zyuganov wins the election, Mr. Gaydar?

[Gaydar] I will give you a list of the concrete things: First, there will be a vote of no confidence in the government, then the impeachment process against the president will begin, and lastly the Forest of Belovezhskaya agreements [which dissolved the USSR — L'UNITA editor's note] will be abolished, thus pronouncing all the current frontiers nonexistent.

[Tulanti] So you do not believe he is telling the truth when he maintains that he will defend private property and formal liberties?

[Gaydar] Actions always have an inherent logic, and when certain things are done, they result in other, foreseeable, things. For instance, I do not think that Gorbachev wanted to break up the Soviet Union from the center. He wanted something quite different, but he struck a number of bearing columns, and the whole edifice caved in. In my opinion, the neocommunists will do the same once they are in power because matters have to stand in one of two ways: Either they are lying to the electorate and will continue to pursue the Gaydar line, though allow me to doubt this, or they are in earnest about wanting to keep the promises that they are making. But they will need money to keep them, and this will mean they will have to put their hands to the banknote printing press. They will thus produce a steep rise in the demand for currency and destabilize the financial market. In order to withstand another "black Tuesday," with the collapse of the ruble, they will freeze the dollar exchange rate, dissolve the currency market, and inflict an enormous blow on the whole system of market rates, and in particular on the competitiveness of imported goods. After doing this, they will come up against soaring inflation, so they will establish price ceilings, thus triggering shortages and rationing, at which point they will need more funds to supply the rationed goods, but they will find out that the ruble no longer works. There you have it: That is how the season of reforms in Russia came to an end. I can assure you that they will not set out to build socialism; it is just that, maybe without even realizing it, they will ruin the still fragile structure of market rates with a few rash movements. The same thing happened from 1926

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to 1928, when the NEP [New Economic Policy] was done away with without much trouble.

[Tulanti] Seriously, does the Russia of 1995 resemble that of 1926?

[Gaydar] Yes. Most of the economy was in private hands in 1926 too, and agriculture still had to be collectivized. It is true that the public sector predominated in industry, but there were still private companies. No one would have believed that it would all change over the subsequent two years; only a madman would have thought that there would no longer be gold chervonets [10-ruble coins — L'UNITA] and that the whole country would be forced into rationing. The NEP looked "in earnest and set to last," to the West as well.

[Tulanti] Crime is one of the plagues suffered by postcommunist Russia: Will emergency measures have to be taken to safeguard the reforms?

[Gaydar] Emergency measures have never done any good. Military regimes are usually the most corrupt, a more than fertile habitat for graft. Corruption is the reverse side of an excessive passion for running the economy from the center, and more particularly of the granting of ample powers to bureaucrats to distribute resources at their discretion. There is a blatant link between these things and corruption in Russia these days. We want something that is easy to say but extremely difficult to achieve: to get power taken out of the bureaucrats' hands and put into the hands of the law. It is one of the reforms that has never been carried out.

[Tulanti] Why are the nationalists the heroes of the day, and not the reformists?

[Gaydar] There has been a combination of two factors: the objective unpopularity of the reforms and the interruption of the process of reform. After the extremely tough year that we had in 1992, the country answered "yes" to the essentially provocative question: "Do you support the economic policy launched in January 1992?" not least because people had seen that at least rationing and queues had vanished. Unfortunately, however, reforms were frozen in Russia at the end of the same year and at the beginning of 1993; the courage to press on had failed. The result was not a resumption of production at previous levels, but a terrible combination of a drop in production, rising inflation, and violent social disparity, in other words, the culture medium that feeds the germs of radical nationalism and communism.

[Tulanti] What are Russia's Democratic Choice's chances in the election?

[Gaydar] I make no forecasts; I made none even in 1993. I am convinced we will have our group in the Duma. How big it will be I do not know; I have never hazarded guesses. I see the main question as another one: Will the moderate democratic forces at least manage to obtain a right of veto on particularly dangerous decisions? As I see it, it is essential that a coalition of communists, nationalists, and agrarians should not have a safe 226-seat majority that would give them control over parliament.

[Tulanti] What is it that sets your party apart from that of your natural allies, Yavlinskiy and Fedorov?

[Gaydar] From Yavlinskiy, his stance on inflation: He is openly pro-inflation. Grigoriy proposes to print fresh money, and in my opinion that will make for rapid price rises, it will undoubtedly curb all possibility of economic growth, and it will further widen the gap between rich and poor. The main dispute with Fedorov is over Chechnya. He, of course, called for the war, and then he backed it. It is a matter of principle for me.

[Tulanti] Do you think that Yeltsin has too many powers? Does the constitution need amending?

[Gaydar] This constitution, by no mere coincidence, closely reflects the national tradition, as it faithfully recreates the prerevolutionary situation in Russia, the president's rights being similar to those of the czar, and those of the Duma closely resembling the rights of the Duma at that time. I am against a presidential republic with a strong executive power, and I believe we ought to have taken the French constitution as our model, not only the parts that enhance the president's powers, but those that limit it them well. But this is what the groups that did a deal with Yeltsin in 1992 wanted.

[Tulanti] Do you hear imperial rumblings in your country?

[Gaydar] I belive that Russia's foreign policy began to change in December 1993, when speaking as a power came back into vogue. Of course, I also believe that Russian foreign policy has to defend national interests, but I also feel, nevertheless, that the defense of national interests must not degenerate into a fresh tendency to set the country up against the West.

[Tulanti] Is postcommunist Russia democratic?

[Gaydar] Yes, there is more democracy in Russia today that at any time in its history. But it is a minority, unprepossessing, indeed somewhat malformed, untidy, weakling democracy. Will we be able to keep it alive? It will depend on us, on our ability to see that there is no way we can do without this ugly duckling if we want to live decently.

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**Satarov Views Tactics To Create Pro-Kremlin Lobby**

*LD0512103895*

[FBIS Editorial Report] Moscow NTV in Russian at 2120 GMT on 4 December broadcasts an eight-minute recorded interview with presidential aide Georgiy Satarov by correspondent Dmitriy Pinskiy in the "Versions" program. The interview is held in Satarov's office; the date of the interview is not given.

Satarov says that opinion poll forecasts on turnout and proportional voting proved reasonably accurate in 1993. He anticipates a turnout of about 50 percent or more on 17 December and expects that no more than five parties will get past the 5-percent barrier, accounting for only about 40 percent of the total votes. This is a low percentage for any proportional system, and the large numbers of parties competing make predictions difficult, Satarov notes, but the fact that half of the Duma seats are allocated under a majority vote system changes the situation. Satarov says: "Here, according to our reckoning, the Communists have a realistic chance of getting about 30 seats." He estimates that Ivan Rybkin's bloc, Russia's Choice, and Russia Is Our Home have good chances, adding that he expects no clear leaders among the parties in the seats allocated from majority constituencies.

Asked whether he expects the new Duma to be "another Supreme Soviet" and strongly confrontational, Satarov says he does not: "In any case, the first six months will on the one hand go on getting settled in, so to speak, and on the other hand on preparing for the presidential elections. Any confrontational actions will be more elements of an electoral campaign on the part of specific parties, rather than any consistent policy."

Pinskiy says that if the hardline opposition gets two-thirds of the seats in the Duma and can overcome any veto and table impeachment motions, this will present grave problems. "That's very important, but one should add that under the constitution, there has to be a majority not only in the Duma but also in the Federation Council in order to create such an impasse," Saratov says. He acknowledges, however, that the situation of the Federation Council is not yet clear.

The correspondent asks Satarov to confirm predictions that "after the elections, the Kremlin will start working with deputies from the single mandate seats," which ought to be about 100 deputies from various factions, "to form a powerful pro-Kremlin lobby." Saratov says such tactics are "perfectly normal and have to be done."

In the "Versions" studio, Sergey Dorenko adds: "The idea of a pro-Kremlin faction in the Duma has not yet proved itself. It was far more advantageous to play off the interests of one faction against another and use either whip or carrot to achieve the objective. The Kremlin will have a much harder time of it in the new Duma, which is a definite minus. On the hand, very soon such tactics may not be necessary at all, if the December winners are victorious in June as well — and we get new occupants in the Kremlin. All the best!"

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**ITAR-TASS Carries Press Review for 6 Dec**

*LD0612115995 Moscow ITAR-TASS in English 0558 GMT 6 Dec 95*

["Press Review" — ITAR-TASS headline]

[FBIS Transcribed Text] MOSCOW, December 6 (ITAR-TASS) — "KOMSOMOLSKAYA PRAVDA" carries on its front page an interview with Prime Minister Viktor Chernomyrdin who answered questions asked by telephone when callers were directly put through to the Prime Minister. The newspaper quoted the Prime Minister as saying in reply to one of the questions asked during the interview that "under high inflation rates inflation is an absolute evil. An upheaval will begin only when inflation rates become less than two per cent a month. A one per cent drop in inflation rates will enable to improve the living standards of 700,000 people and take them above the poverty level."

"KRASNAYA ZVEZDA" comments on an explosion in Groznyy on Monday as a result of which five people were killed and 57 others injured. "All those who over the past twenty four hours have commented on the cause of the explosion say that behind was an intention to intimidate the population in order to disrupt the elections of the head of the Chechen republic. The main reason behind this is that Dudayev's supporters are afraid of the elections since they do not hope for the support of the people. If they were confident in success they would openly go to the polls. All the more so, because Dudayev, who, incidentally, has still been on the list of people wanted by the federal police, was offered to nominate himself to the post of the head of Chechnya."

In connection with the incident in Groznyy, "PRAVDA" says that "unlike terrorists abroad local bandits are conspicuous for their cowardice. Their tactics is mean cunningness and mean attacks from round the corner. But,apparently, they cannot do otherwise," the newspaper said.

"IZVESTIYA" carries an interview with social welfare minister Bezlepkina. The minister said that experts of the Social Welfare Ministry have analyzed election platforms of 13 blocs. All the blocs give priority to the programme of social welfare. But unfortunately, they merely declare their programmes with very few of them offering a mechanism for the solution of this problem. Those who offer such mechanisms use familiar phrases, even whole extracts which were written by experts of our ministry, including on pension reform. It means that we have not been working in vain," the minister said.

"IZVESTIYA" carries an interview with first Vice-Premier of the Russian government Anatoliy Chubays who admitted that" the living standards in Russia this year had dropped in comparison with last year. However, beginning from August, 1995 wage increases at budgetary enterprises have considerably exceeded inflation rates" Chubays said. "The gap between the most well-off and low income groups of the population is narrowing for the first time since reforms began in Russia," Chubays said.

"TRUD" says that frosty weather which set in early this winter claimed the lives of over 160 Muscovites. Almost all those who died of being exposed to the frost were drunk. Despite perpetual warnings issued by health service people who drink liquor continue to walk around the city unconscious of the fact that such a "walk" might become fatal. Over the past five days 20 people had been killed by the frost.

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**Kozyrev, Christopher Rule Out Amending Dayton Accords**

*LD0612115295 Moscow ITAR-TASS World Service in Russian 1100 GMT 6 Dec 95*

[By ITAR-TASS special correspondents Aleksandr Mineyev and Viktor Khrekov]

[FBIS Translated Text] Brussels, 6 Dec (ITAR-TASS) — "Partnership yes, NATO expansion no" is the short and full description of Russia's attitude to the policy of the North Atlantic alliance given by President Boris Yeltsin in a telephone conversation with Russian Foreign Minister Andrey Kozyrev, who is in Brussels. The Russian foreign minister said this at a joint news conference today with U.S. Secretary of State Warren Christopher before their bilateral meeting started.

Andrey Kozyrev noted that Moscow will study attentively the final communique adopted at yesterday's session of the North Atlantic Council. He welcomed the fact that the document points to the need for a new model of collective security for Europe and notes the considerable role of the Organization for Security and Cooperation in Europe [OSCE].

The Russian minister believes that this topic should be given pride of place at today's session of the North Atlantic cooperation council and at the upcoming OSCE session in Budapest. This is a priority area for Russia. Cooperation between Russia and the UNITED States and between Russia and NATO is gathering strength and it is important to stand up for it, he stressed.

The Russian foreign minister said the United States and Russia are moving along the road of cooperation outlined at the Hyde Park (U.S.) meeting between Presidents Boris Yeltsin and Bill Clinton. Both countries have made a contribution to achieving the Bosnia peace accords and will continue to cooperate in a spirit of partnership. In the opinion of the Russian leadership, a lasting peace in Bosnia depends on more than implementation of the military aspects of the agreement. In the next few days particular attention will be focused on the civilian aspects of the peacekeeping operation, which are no less important — and in come cases more important — for maintaining peace in the Balkans.

The foreign ministers confirmed that there is no question of amending the Dayton accords on Bosnia, since they are the outcome of reciprocal concessions. However, the rights of the Serbian population in Sarajevo have to be ensured, just like those of other ethnic minorities in Bosnia. The U.S. secretary of state stressed that implementation of the Bosnia peace agreement goes beyond the bounds of just a peacekeeping operation, because for the first time since World War II soldiers from the United States, Russia, and dozens of other countries will be on a common mission to secure peace in Europe.

**Ministry: Accord Not Liable To Revision**

*LD0512194995 Moscow INTERFAX in English 1811 GMT 5 Dec 95*

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, Dec 5 (INTERFAX) — The world community and the main sides to the Bosnia conflict proceed from the assumption that the Dayton accord on Bosnia is not liable to revision, Russian Foreign Ministry spokesman Mikhail Demurin told a briefing in Moscow Tuesday.

At the same time, he underlined that "these or those security guarantees may be added on the sides' specific concerns."

The diplomat said "there guarantees should be developed on the basis of principal adoption of the Dayton accord, mutual consent of the warring sides and with active participation of the world community."

Demurin said the United Nations is making resolutions to reinstate Yugoslavia as a full-fledged member of the world community.

**Moscow Advocates Former Yugoslavia OSCE Readmission**

*LD0512172195 Moscow ITAR-TASS in English 0654 GMT 5 Dec 95*

[By Vladimir Suprun]

[FBIS Transcribed Text] MOSCOW, December 5 (ITAR-TASS) — Further estrangement of the former Yugoslavia from the Organisation for Security and Cooperation in Europe (OSCE) is politically unreasonable and crippling to durable peace in the Balkans, Russian Foreign Ministry spokesman Mikhail Demurin quoted Foreign Minister Andrey Kozyrev as saying.

Demurin said this was the message of Kozyrev's recent letters to the international Contact Group.

The letters hail the U.N. Security Council's suspension of the economic sanctions against Belgrade and the council's "omnibus" draft resolution which "will mean a new step towards the reestablishment of the status of the status of the Union Republic of Yugoslavia as a rightful member of the international community."

Demurin quoted Kozyrev as saying that the former Yugoslavia might be re-admitted to the OSCE without

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defining the status of the states which had emerged in the former Yugoslavia.

Demurin said Russia's delegation to the OSCE is negotiating with the Contact Group on re-admission of the former Yugoslavia, whose membership of the OSCE was suspended in 1992.

### Kozyrev Denies Differences With Grachev Over Bosnia

*LD0512183195 Moscow INTERFAX in English 1711 GMT 5 Dec 95*

[FBIS Transcribed Text] MOSCOW, Dec 5 (INTERFAX) — Russian Foreign Minister Andrey Kozyrev denied Monday that there are serious differences between the Foreign Ministry and the Defense Ministry on Russia's participation in the future international peacekeeping operation in Bosnia.

"Of course, ministries may have different points of view on certain issues. And such points of view exist," he told journalists before leaving for Brussels. At the same time he spoke against contrasting "what is done by the Defense Ministry and Pavel Grachev with what is done by the Foreign Ministry and its head." The existing differences between the ministries' positions will be mediated by Russian President Boris Yeltsin," said Kozyrev.

Earlier, Kozyrev said that Grachev had not informed him of the results of the Brussels talks with NATO defense ministers on the forms of Russia's participation in the future Bosnian operation.

The foreign minister said that he and Grachev plan to analyze the work done and to submit their proposals as to future actions to Yeltsin for approval.

### Moscow Set To Cooperate With NATO on European Security

*LD0512194695 Moscow INTERFAX in English 1811 GMT 5 Dec 95*

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, Dec 5 (INTERFAX) — Russia is set to constructively cooperate with NATO in order to eventually create a European security and stability system, Russian Foreign Ministry spokesman Mikhail Demurin told a briefing in Moscow Tuesday.

"Of course, NATO will be one of the important elements in this system," he added.

Demurin underlined that Russia-NATO relations should develop both within Partnership for Peace and special bilateral programs.

According to the diplomat, this cooperation "will aim to promote the constructive political transformation of the alliance and combined efforts to create a European security system."

Demurin said "thanks to many efforts by the Russian Foreign Ministry and the Russian public, we have managed to bring Moscow's non-adoption of the proposed NATO enlargement to the notice of the public and politicians of Western Europe."

"There emerged a kind of a pause in the development of this issue. We regard this as positive," he added.

### NATO Relations Seen Entering 'New Stage'

*LD0512212495 Moscow Russian Television Network in Russian 2000 GMT 5 Dec 95*

[Remarks by Vitaliy Churkin, Russian ambassador to Belgium; place and date not given; from the "Vesti" newscast — recorded]

[FBIS Translated Text] According to my estimation, our relations with the North Atlantic alliance are entering a new stage. The past year has to a great extent been spent on the polemics as to whether to expand NATO or not. Now one can forecast that in the forthcoming year there will be a pause with regard to the matters of expansion, which we were striving for.

Over the next 12 months the attention of practically all the European institutions, including NATO, will be focussed on Bosnian affairs. As to our relations with the North Atlantic bloc, a great deal will depend on whether we will manage to set in motion our cooperation with them in Bosnia to successfully carry out together a most complex peacekeeping operation.

### NATO Leader Views Russia's Role on Bosnia, CFE

*LD0612092795 Moscow ITAR-TASS in English 0716 GMT 6 Dec 95*

[By Aleksandr Minayev]

[FBIS Transcribed Text] BRUSSELS, December 6 (ITAR-TASS) — The defence ministers of the North-Atlantic member-countries back the agreement in principle on Russia's role in political control over compliance with the peace accord on Bosnia which was reached by the defence ministers of Russia and the United States, Pavel Grachev and William Perry, a few days ago, acting NATO Secretary-General Sergio Balanzino told ITAR-TASS.

Balanzino said the "gentlemen agreement" will now have to be fixed formally, and NATO officials have already drawn up a draft document which takes Russia's

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wishes into account. Brussels is now waiting from a final say from Moscow.

According to Balanzino, Russia's participation in the operation in Bosnia will facilitate transparency of relations and deepen consultations between NATO and Russia which the North-Atlantic Alliance hopes to expand to a wider sphere of cooperation.

The Alliance hopes that Russia will play a more active role in the Partnership for Peace programme in 1996 by implementing fully its individual programme agreed with NATO.

NATO intends to hold more frequent consultations with Russia also outside the Partnership for Peace programme and expand the range of subjects to be covered in such consultations.

As concerns differences between Russia and the North Atlantic Alliance over details of implementing the agreement on Conventional Forces in Europe (CFE), Balanzino declined to see the situation in a dramatic light. He said NATO had made clear-cut compromise proposals for changes to CFE flank restrictions which can be described as noble proposals. The game has now moved from Brussels to Vienna where a special group of experts is working on aspects of the reduction of forces, he said.

**Kozyrev Welcomes UN's Solana; Grachev Views NATO**

*LD0612104595 Moscow NTV in Russian 2100 GMT 5 Dec 95*

[FBIS Translated Text] Elections to the upper chamber of parliament were held in Kazakhstan on Tuesday 5 December. Only 49 people were standing for 40 senate seats and 38 of them received enough votes. There have not yet been any congratulations from their Russian colleagues who, incidentally, are occupied with their own affairs. The appointment of the new NATO secretary general evoked a much greater response in Moscow.

[Begin recording] [Unidentified correspondent] NATO acquired a new secretary general on Tuesday. As expected, Spanish Foreign Minister Javier Solana now holds the post. Andrey Kozyrev seems to be sincerely pleased with this appointment. Before leaving for the North Atlantic Council session, he called his Spanish colleague a "friend."

[Kozyrev] Solana is a good friend. He is a man we have known for many years now and the main thing is that, during Spain's chairmanship of the European Union, we managed to achieve a series of concrete deeds. He is not only an intellectual and a cultured man, but someone connected with the democratic traditions of Spain — he was one of those who participated in the democratic transformation in Spain. He is also a man who has already proved himself, not just by speaking about things, through his warm and friendly relations of partnership with Russia.

[Correspondent] It seems that the trip by the Russian foreign minister to the NATO capital is bound to succeed. The communique adopted on the eve of the session by the foreign ministers of the NATO countries simply oozes friendliness toward Russia. In the opinion of NATO, its participation in the multinational forces in Bosnia make it possible to create new permanent structures of security and cooperation in Europe. Russia is invited to take part in permanent consultations according to the formula "the 16 countries of NATO plus Russia" and to take part in the Partnership for Peace program again. They expect Russia to reciprocate but they are not giving up their plans to expand eastward. The understanding between the ministers of defense of Russia and the United States on political consultations on actions under the Bosnian peace agreement are presented in the communique as all but an example for emulation by Andrey Kozyrev. Incidentally, the minister of foreign affairs recognizes the success of his colleague from the military department and does not express any feelings of jealousy at all.

[Kozyrev] Of course, different points of view may and do exist between the departments over some questions but I think that Pavel Sergeyevich [Minister of Defense Grachev] achieved a major feat, did a good job during his meetings with our NATO colleagues and during his meetings with our colleagues in Israel. I would not in any way set what the minister or Ministry of Defense does, against what the minister and Ministry of Foreign Affairs does. The nuances or variant readings which exist in the positions of the departments are all being coordinated and will be and are being decided by the president. The departments have their own points of view but it is up to the president to determine the final position. I spoke to him today and he crossed the "i's" and dotted the "t's". And I say once again that this is a course for firm and consistent partnership and, at the same time of course, our no less firm protest against the expansion of NATO remains.

[Correspondent] Pavel Grachev is also profoundly convinced that he is in no way invading Kozyrev's diocese.

[Grachev] I ask you not to confuse the fact that there are two aspects about information and working with NATO. The first is the political aspect but there is also the military aspect. So in working with NATO we work mainly with the military aspect, that is to say

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with the ministers of defense. It made me laugh, for instance, when some recent television programs asked: "Why did Grachev go to Brussels the last time to decide that question? Why didn't Kozyrev go?" The reply is: "Well, why should Kozyrev go, if only ministers of defense and ambassadors of states accredited to Brussels were assembling there?" We acted exactly according to that formula. The minister of defense went and Vitaliy Ivanovich Churkin, Russia's ambassador to Belgium, participated in the work. What deviations can there be here? The council of NATO begins there today at the foreign minister level. Why don't you ask me: "Why didn't Grachev go?" I would reply: "What is there for me to do there?"

[Correspondent] It seems that Boris Yeltsin will have to take all the laurels earned in the field of foreign policy for himself in order to reconcile the two departments, the leader of one of which the president recently accused of being completely unable to coordinate activities with others. [end recording]

### IZVESTIYA Profiles Javier Solana

*MM0512154295 Moscow IZVESTIYA in Russian 5 Dec 95 p 3*

[Report by Vladimir Vernikov: "Javier Solana's Career: From Vehement Opponent of NATO to Secretary General"]

[FBIS Translated Text] Madrid — The ninth NATO secretary general is for the first time a representative of Spain — its current Foreign Minister Javier Solana. Firm U.S. support for his nomination broke the resistance of two prime ministers — of Britain and Canada — who had doubts for a long time.

Who exactly is this man, who suits practically all participants in the bloc who jealously rejected other candidates who were no less experienced and competent? This is also given the fact that Spain is one of NATO's youngest members, and is moreover not a member of its military structures.

The current foreign minister practically always appears before his interlocutors and journalists with a soft and restrained smile on his face. He is always the first to extend his hand in greeting. He is incredibly strict and demanding with his subordinates, although on the whole he is distinguished by composure, patience, and the natural tendency to seek compromise always and in everything.

The 53-year-old Solana has come a long way from the student who participated in anti-Franco protests — which got him expelled from Madrid Independent University — to participation in all Felipe Gonzalez' governments without exception over the last 13 years. During all these years he was virtually his party leader's silent shadow, successively occupying the posts of minister of culture, education, and finally foreign affairs. Solana was the person most trusted by his leader at the government chairman's most difficult moments. A reserved, taciturn man, who unlike his boss is a far from brilliant orator, who is extremely cautious, and who avoids giving clear and unambiguous answers, he has made a name for himself as a man who is suitable if not to everybody, then to very many of his party supporters and even political opponents within the country.

Solana has long been on first-name terms with U.S. Secretary of State Warren Christopher. They have indeed developed close personal [doveritelnyye] relations, and Solana is also on good terms with other eminent U.S. figures. He himself once smilingly told his closest colleagues that on his first visit to the United States as foreign minister in 1993 he began his tour of the U.S. corridors of power not in the State Department, as is the custom, but in Langley — the CIA headquarters, where the then CIA Director James Woolsey dragged him. The CIA chief reminded the Spanish minister not without a smile that exactly a quarter of a century ago both of them had marched along this city's [not specified] streets in demonstrations against the Vietnam War and that both had been put on the CIA blacklist.

When in 1975, back in the time of Franco, in a competitive selection process, he won the post of head of the solid-state physics department at Complutense Madrid University, a bastion of right-wing professors, the young Solana inflicted his first telling blow on the system. A member of the Socialist Party, which was then operating underground, he made no secret of his left-wing convictions either to students or to professors. When he later entered active politics he was one of those who most zealously defended the position of the Socialist Party, which opposed Spain's involvement in NATO.

Subsequently Solana admitted that "real politics has nothing to do with abstract theorizing."

### Egypt Summons Russian Envoy Over Grachev Israel Visit

*LD0512212995 Moscow ITAR-TASS in English 2113 GMT 5 Dec 95*

[By Rafael Bikbayev]

[FBIS Transcribed Text] CAIRO, December 5 (ITAR-TASS) — Russian Ambassador to Egypt Vladimir Gudev was summoned to the Egyptian Foreign Ministry today to lay out results of the visit to Israel of Russian Defence Minister Pavel Grachev.

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Grachev's trip to Israel was met with great caution in the Arab world. Arab media, including Egypt's, sounded critical of Russia's policy in the Middle East.

Gudev said Grachev's visit was related to new realities in the Middle East region. The Russian Government sees the military confrontation between Israelis and Arabs as minimal, and Grachev's trip may be interpreted only as Russia's tribute of respect to the peace process in the region, Gudev said.

The ambassador assured Egyptian ministry officials that Russia adheres to ties and cooperation with the Arab countries in high technology fields.

### Grachev on Results of Israel Trip

*LD0512181895 Moscow Radio Rossii Network in Russian 1700 GMT 5 Dec 95*

[FBIS Translated Text] Russian Defense Minister Pavel Grachev completed his official visit to Israel today. At the Chkalovskiy airfield near Moscow Grachev summed up its results at a briefing for the journalists who accompanied him on the trip.

[Begin Grachev recording] It was stated at the talks that cooperation between our country and Israel in the military sphere should not affect relations between Russia and the Middle East. Considering the new political realities, we are striving to develop comprehensive and fully-fledged relations with Israel and its Armed Forces while maintaining and deepening our traditional ties with the Arab world. On the whole, the Israeli side showed understanding for our attitude. The documents that were signed contain a proposal to exchange delegations from the Defense Ministries. A visit by the chief of the Russian General Staff or his deputy to Israel, as well as a visit to Russia by a working group of the Defense Ministry and the General Staff of Israel have been planned for 1996.

As regards military and technical cooperation with Israel, one should mention that Israeli state and private companies showed great interest in this sphere. Special interest was shown in such areas as carrying out joint research and design work and upgrading Russian military hardware.

I believe that the goals of this visit have been attained in full. [end recording]

Grachev said that on Wednesday morning he will submit a more detailed report on his talks with Israel's top political and military leadership to President Boris Yeltsin.

### Backs 'Well-Balanced' Middle East Policy

*LD0512203595 Moscow INTERFAX in English 1925 GMT 5 Dec 95*

[FBIS Transcribed Text] MOSCOW, Dec 5 (INTERFAX) — The Soviet-Israeli and then Russian-Israeli relations of the recent past were just senseless isolation, Russian Defense Minister Pavel Grachev told INTERFAX upon his return from Israel in Moscow Tuesday. Documents signed during the visit will be a "real basis" for stability between Russia and Israel and in the region as a whole, he added.

Making the decision to send a Russian military delegation to Israel, President Boris Yeltsin proceeded from the assumption that "Russia is not indifferent about a source of tensions and real threats capable of growing into an armed conflict in this region of strategic importance," he said.

"Today one should not divide the Middle East countries into friends and aliens. Only a well-balanced and restrained policy of the leading states of the world towards all countries in the Middle East is capable of quenching the source of tensions in the Middle East region," he added.

According to Grachev, "the Russian delegation did not propose any new system of regional security at the talks." There is no such concept so far, he added. In addition, there is no such state "which would assume leadership in the creation of such a system in this region," he continued. In his opinion, it is important to achieve normal bilateral relations between the countries in the region. Russia is ready to "promote settlement of differences between states of the region, primarily between Israel and Syria."

Grachev said he had been invited to officially visit Syria and Iran. He underlined his future visits will focus on rapprochement of these states and Israel as to the situation in the region. "I want to prove to them that there are no unsolvable problems in the region. The only thing we should do is to sit at the negotiation table and not avoid necessary compromises," he added.

Grachev said Russia is "interested in the Middle East settlement, because the situation there partially affects the situation in Russia's regions, in particular in the North Caucasus." "Why should not Russia as a superpower assume the role of coordinator of efforts towards peace between the conflicting states," he asked rhetorically.

Grachev said he will meet with President Boris Yeltsin Wednesday to brief him on the results of his visit.

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### Sees Russia in 'Mediator' Role

*LD0512181195 Moscow NTV in Russian 1600 GMT 5 Dec 95*

[Video report by correspondent Aleksandr Gerasimov, including recorded comments by Russian Defense Minister Pavel Grachev; from the "Segodnya" newscast]

[FBIS Translated Text] [Gerasimov] Cooperation between Moscow and Tel Aviv must not affect Russia's relations with countries of the Arab world. This is the conclusion reached by Defense Minister Grachev and Israeli President Weizman who met in Jerusalem. The Russian generals expressed regret that there have been no contacts between the two countries for several decades. After Grachev's five-day visit the situation should change, at least in the military sphere. Israel is ready to take part in joint elaboration of new types of weapons and modernization of Russian combat hardware.

Meanwhile, the Arab states who consider themselves Moscow's allies have already expressed their bewilderment at Pavel Grachev's trip to Israel. Syria and Egypt are among the malcontents, according to our information, and it looks as though other countries will join them soon, too. Israel is formally in a state of war with almost the whole of Islamic society.

However, according to Grachev, Russia can take on a role as mediator between Tel Aviv and its enemies as it has equally good relations with all the countries of the region.

[Grachev] Why shouldn't Russia, as a powerful state, take on the role of a unifying force between the conflicting states, especially as we have very good relations with Syria, quite firm relations with Iran, and recently we have seen the Iranian leadership trying to come closer to us, relations with Israel — you see that they are established. So why shouldn't Russia take on a unifying role, with the help of Russia set up a lasting peace there.

[Gerasimov] It looks as though Moscow has used to advantage the divide and rule principle, making friends with almost all countries of the Near East without an ally's special obligations. The defense minister's trip, which at first glance seemed to destabilize the situation, allows Russia as a world power to regulate the situation in the Near East.

[Grachev] We think that in every region there should be a system of collective security.

[Gerasimov] Pavel Grachev will report the results of his trip to Boris Yeltsin tomorrow. It looks as though there will be no special observations as, according to the defense minister, he agrees all his actions with the president. [video shows Grachev in civilian clothes, Weizman and respective entourages seated at a meal table, Grachev, in uniform, inspecting aircraft and at the Golan Heights]

### Proposes Regional Security System

*MM0612141495 Moscow KRASNAYA ZVEZDA in Russian 6 Dec 95 p 1*

[Report by Aleksandr Golts: "Foundation Exists for Contacts in Military Sphere"]

[FBIS Translated Text] Tel Aviv-Moscow — A meeting with Israeli President Ezer Weizman was the culmination of the first visit in history to Israel by a Russian defense minister, Army General Pavel Grachev.

During the five-day trip he also had meetings with Shim'on Peres, new Israeli prime minister and defense minister, Foreign Minister Ehud Baraq, and a number of military commanders, went to an airbase, and visited the Golan Heights and certain military industrial enterprises.

The visit's main result was the signing of a "Memorandum of Mutual Understanding on Questions of Military Cooperation." In Grachev's estimation this document lays the foundation for the establishment of bilateral military ties, mainly in respect of personal contacts between military personnel, and for the development of cooperation in the sphere of arms production and modernization.

But — and the Russian defense minister stressed this repeatedly during the visit — it is not a question of reciprocal arms purchases. The main thing for us, Grachev stated, was the opportunity to lay the foundation for the development of contacts in the military sphere. And this, judging from the press reaction, was achieved.

During the visit Grachev also proposed that a regional security system be created in the Near East and the Persian Gulf. Here it was stressed that Russia could help to implement this process.

The proposal of this initiative was a response to the reaction from certain Arab states, which were quick to accuse Russia of "betraying" Arab interests and reorienting Russian foreign policy exclusively toward Israel. We will continue to pursue a policy aimed at both deepening our ties with Arab states and expanding them with Israel. This is graphic evidence of the considered nature of the policy which Russia is pursuing in the Near East, Grachev stressed.

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### Grachev Meets PRC Official, Hails Growing Cooperation

*LD0612121395 Moscow INTERFAX in English 1027 GMT 6 Dec 95*

[FBIS Transcribed Text] MOSCOW, Dec 6 (INTERFAX) — Russian Defense Minister Pavel Grachev said China has become one of Russia's leading partners in the military and technical area, and he hailed growing cooperation between the two countries.

In his meeting with chairman [title as received] of the Chinese Central Military Council Liu Huaqing in Moscow on Wednesday, Grachev said military cooperation between Moscow and Beijing "serves to promote understanding" between the two countries and has made "China one of Russia's leading partners in military and technical cooperation."

"Strong military ties between our countries promote trust" between the two nations, he added.

For his part, Liu Huaqing noted that the development of relations between Russia and China "not only meets the vital interests of our countries, but also strengthens international peace."

The talks, which were held behind the closed doors, were attended by chief of the Russian General Staff Mikhail Kolesnikov, First Deputy Defense Minister Andrey Kokoshin, Air Force Commander Petr Deynekin and Navy Commander Feliks Gromov.

Grachev and Huaqing discussed Asia-Pacific security and bilateral military cooperation, and agreed to exchange military cadets, Grachev's aide Yelena Agapova told INTERFAX.

Agapova said Huaqing confirmed that the Chinese leadership is waiting for a visit to China by Russian President Boris Yeltsin and hopes that it will give a boost to bilateral cooperation.

During its present visit, the Chinese military delegation led by Huaqing is expected to sign an intergovernmental agreement with Russia. Russian and Chinese experts have been working on the document since November 30, but its content is kept secret.

Sources in Moscow believe that the agreement may be signed on Wednesday. On the part of Russia it is expected to be signed by First Deputy Prime Minister Oleg Soskovets.

Huaqing will end his visit to Russia on Friday.

### Ministry To Dismantle Weapons-Grade Plutonium Reactors

*AU0512182695 Paris AFP in English 1800 GMT 5 Dec 95*

[FBIS Transcribed Text] Moscow, Dec 5 (AFP) — Russia is to dismantle its last three nuclear reactors currently producing plutonium for use in bombs under an agreement signed with the United States, an Atomic Energy Ministry spokesman said on Tuesday [5 December].

Spokesman Vladimir Petrov said the three reactors, two in the Siberian city of Seversk and the other in Zheleznogorsk, also in Siberia, were to be dismantled by the year 2000.

He said the two Seversk reactors, in a complex formerly known as Tomsk-7, were to be replaced by others that were not capable of producing weapons-grade plutonium. The Zheleznogorsk reactor, part of a facility previously known as Krasnoyarsk, is also to be replaced by two smaller reactors.

The new reactors were needed to maintain power supplies to the regions around the plants, Petrov said.

Russia and the United States have agreed to phase out all production of weapons-grade plutonium by the year 2000.

### Ministry Source Comments on U.S. 'Spy Satellite'

*LD0612101195 Moscow ITAR-TASS in English 0954 GMT 6 Nov 95*

[FBIS Transcribed Text] MOSCOW, December 6 (ITAR-TASS) — The United States fired off another spy satellite overnight to watch the Russian territory, ITAR-TASS learnt from a reliable source at the Russian Defence Ministry.

According to the source, a powerful booster rocket, Titan-4, launched a reconnaissance satellite, Keyhole, from the Vandenberg Air Force base on December 6 at 00:18, Moscow time.

The spacecraft is now in a low near-earth orbit with the following parameters: inclination — 97.8 degrees, revolution period — 95.7 minutes, apogee — 976 kilometers and perigee —156 kilometers. Following several manoeuvres, the satellite will be put into a working orbit the next day.

The source said that there are now two similar reconnaissance satellites in low near-earth orbits. They are used for regular close observation of the territory and strategic projects of Russia and other states.

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**Grachev Meets PRC Official, Hails Growing Cooperation**

*LD0612121395 Moscow INTERFAX in English 1027 GMT 6 Dec 95*

[FBIS Transcribed Text] MOSCOW, Dec 6 (INTERFAX) — Russian Defense Minister Pavel Grachev said China has become one of Russia's leading partners in the military and technical area, and he hailed growing cooperation between the two countries.

In his meeting with chairman [title as received] of the Chinese Central Military Council Liu Huaqing in Moscow on Wednesday, Grachev said military cooperation between Moscow and Beijing "serves to promote understanding" between the two countries and has made "China one of Russia's leading partners in military and technical cooperation."

"Strong military ties between our countries promote trust" between the two nations, he added.

For his part, Liu Huaqing noted that the development of relations between Russia and China "not only meets the vital interests of our countries, but also strengthens international peace."

The talks, which were held behind the closed doors, were attended by chief of the Russian General Staff Mikhail Kolesnikov, First Deputy Defense Minister Andrey Kokoshin, Air Force Commander Petr Deynekin and Navy Commander Feliks Gromov.

Grachev and Huaqing discussed Asia-Pacific security and bilateral military cooperation, and agreed to exchange military cadets, Grachev's aide Yelena Agapova told INTERFAX.

Agapova said Huaqing confirmed that the Chinese leadership is waiting for a visit to China by Russian President Boris Yeltsin and hopes that it will give a boost to bilateral cooperation.

During its present visit, the Chinese military delegation led by Huaqing is expected to sign an intergovernmental agreement with Russia. Russian and Chinese experts have been working on the document since November 30, but its content is kept secret.

Sources in Moscow believe that the agreement may be signed on Wednesday. On the part of Russia it is expected to be signed by First Deputy Prime Minister Oleg Soskovets.

Huaqing will end his visit to Russia on Friday.

**Ministry To Dismantle Weapons-Grade Plutonium Reactors**

*AU0512182695 Paris AFP in English 1800 GMT 5 Dec 95*

[FBIS Transcribed Text] Moscow, Dec 5 (AFP) — Russia is to dismantle its last three nuclear reactors currently producing plutonium for use in bombs under an agreement signed with the United States, an Atomic Energy Ministry spokesman said on Tuesday [5 December].

Spokesman Vladimir Petrov said the three reactors, two in the Siberian city of Seversk and the other in Zheleznogorsk, also in Siberia, were to be dismantled by the year 2000.

He said the two Seversk reactors, in a complex formerly known as Tomsk-7, were to be replaced by others that were not capable of producing weapons-grade plutonium. The Zheleznogorsk reactor, part of a facility previously known as Krasnoyarsk, is also to be replaced by two smaller reactors.

The new reactors were needed to maintain power supplies to the regions around the plants, Petrov said.

Russia and the United States have agreed to phase out all production of weapons-grade plutonium by the year 2000.

**Ministry Source Comments on U.S. 'Spy Satellite'**

*LD0612101195 Moscow ITAR-TASS in English 0954 GMT 6 Nov 95*

[FBIS Transcribed Text] MOSCOW, December 6 (ITAR-TASS) — The United States fired off another spy satellite overnight to watch the Russian territory, ITAR-TASS learnt from a reliable source at the Russian Defence Ministry.

According to the source, a powerful booster rocket, Titan-4, launched a reconnaissance sateilite, Keyhole, from the Vandenberg Air Force base on December 6 at 00:18, Moscow time.

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## U.S. Policy Seen as 'Main Threat' to Russia, CIS

*MM0512144895 Moscow KRASNAYA ZVEZDA in Russian 5 Dec 95 p 3*

["Viewpoint" article by Colonel General Viktor Samsonov, chief of staff for coordination of military cooperation between CIS member states: "Need for a New Collective Security System, or What Could Threaten the CIS States' National Interests Today"]

[FBIS Translated Text] Reasonable people, shuddering and alarmed, drew the conclusion that a nuclear war, not matter how it might end, would lead to self-destruction. This discovery put an end to the global confrontation and marked the beginning of a new era of partnership and cooperation. At the same time, however, it engendered among some people the illusory idea that, in today's conditions, K. Clausewitz's fundamental thesis that war is a continuation of politics by other, violent means, has completely lost its topicality.

Yes, the prevailing opinion in international relations today holds that violence cannot be perceived as a means and continuation of politics. This is wonderful at first glance. But the point is that practice often indicates the exact opposite. What do I mean?

The end of the Cold War did not ensure a stabilization of the situation on the planet. The most developed countries in the West are guided by the old political approaches in questions of ensuring national and international security, and this leads to the emergence of dangerous armed conflicts, like the one in the Balkans for example. While acknowledging the priority of political measures, in actual fact they are improving their arsenal of violent means of exerting influence, especially in the zones of so-called vitally important interests. Local wars are also continuing, using diverse means of struggle and forms of violence. There are no grounds to claim that they could not evolve into wars on a much more dangerous scale.

Instead of disbanding itself as expected, the North Atlantic alliance is becoming even mightier. In September 1995 the bloc's Council recommended the "Studies on NATO's Expansion" which, under the guise of "improved architecture of security" throughout the Euro-Atlantic region, substantiate the need to admit new members to this organization and the organization's readiness to respond to new military threats and diverse challenges. Even now the U.S. and NATO Armed Forces are getting involved in the conduct of military operations far beyond the boundaries of their own territory. The question of building up and strengthening armed forces is being raised in many states in the world. The exacerbation of political, economic, social, interethnic, intrastate, and interstate contradictions, which is typical of the end of the second millennium, is unfortunately becoming the dominant source of international tension. And the complexity of the global strategic situation at present is attributable to the fact that the United States and other leading states in the world have adopted as the basis of ensuring their national security the extremely dangerous concept or policy of declaring vast regions, mainly with rich natural resources and cheap labor force, to be spheres of their vitally important interests. Specifically, over the last two years the U.S. leadership has extended the zone of its vitally important interests abroad from three to five regions. Now this zone includes Europe and Eurasia; East Asia and the Pacific; the Western Hemisphere; the Near East and Southeast and South Asia; and Africa.

The United States builds its policy on a certain theoretical base. In his article "Battle of Civilizations" Samuel Huntington, director of the Arlington Institute for Strategic Studies, promotes in particular the thesis that world politics is entering a new phase when the main source of conflicts will be cultural and historical differences rather than ideology. What does he mean? Since the West will be striving to implant democracy and liberalism after its own fashion all over the planet and will be banking on the maintenance of military superiority and economic pressure, then the West, according to Huntington, in order to retain its leadership, will need to include in the sphere of its monopoly influence the East European and Latin American states which are close to it in culture and mentality. Meanwhile, in Russia, Japan, and other countries, it will have to support groupings which are oriented toward the Western model of development.

It is suggested that the military development of potential rivals be contained by all possible means, exploiting any differences or conflicts arising between them at every opportunity and displaying moderation in cutting back the West's military potential.... Thus, in the first place, whether he wishes to do so or not, the U.S. scientist confirms that there cannot be any war outside politics. Second, he graphically displays the sources and possible causes of military threats in the future. It follows from this that the economic, political, and military integration of the United States and Europe will continue to be effected without taking into account the vitally important interests of other countries. In this process, Russia and the CIS will be assigned the role of a test site for the introduction of "universal human values."

There are perfectly defined national and interstate interests in the world community. When promoting these interests, different countries — due to the inequality

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of economic, political, military, and cultural development — encounter contradictions which are reflected in strategic policies and plans. And even though mankind has learned to peacefully resolve some contradictions, it frequently still fails to ease the acuteness and tension of political processes and to avoid armed conflicts. The latter increasingly openly manifest aspects like struggle for power and for the right to dominate the world, a continent, or a region and to dispose of the resources to be found there.

In the changed geopolitical situation the nuclear and other types of mass destruction weapons are already appraised as reliable and most important factors of deterrence. And the "National Military Strategy" and "Strategy of National Security" adopted in the United States in 1995, prescribing the retention of powerful defense potential and the expansion of U.S. influence across all the most important regions in the world, require the use of U.S. military capabilities in conjunction with economic, diplomatic, information, and other elements of national might. The view that the dividing line between military and nonmilitary means of struggle should be erased is increasingly persistently circulating in military-scientific circles. It is said that the world is entering a new sphere of military confrontation which will make it possible to attain the strategic objectives of war without seizing enemy territory in the traditional perception of this process. (It was precisely this approach that the U.S. leadership adopted during the Desert Storm operation.) Even concepts like "cold war," "information war," and economic, financial, ecological, and other types of war are leaving the sphere of figurative expressions and are acquiring the features of legitimate terminology with a specific meaning. This is not surprising. The United States, for example, is developing the concept of "information war" and the appropriate means for waging it. At a recent Russian-U.S. scientific conference in Moscow scientists from both countries noted the high efficiency of "information war" means which, coupled with the use of high- precision weapons, make it possible to disorganize the state administration system, hit strategically important targets, depress the population's moral spirit....

At his 19 September 1995 White House briefing, U.S. Deputy National Security Adviser Samuel Berger declared that science and technology play a vast role in the U.S. Administration's national security strategy. In other words, information technologies have greatly revolutionized the process of developing and producing weapons. And there is no doubt that all this is meant to be activated to protect vitally important interests in declared regions of the world.

Alas, the Cold War ended with the disappearance of a whole series of countries from the map of the world. In Russia and the CIS countries this has led to disorganization of political and economic life, difficulties in running the state and its national economy, and consequently the loss by the people of vitally important bearings. But another component of the result of any war still remains unrealized — the victorious side has not yet acquired the right to dispose of the defeated state's resources. This is precisely why all the aforementioned means and methods are being applied in accordance with K. Clausewitz's assertion. And this gives grounds to assume that the Cold War has not yet ended but is still being fought using political, economic, financial, diplomatic, information, and other means.

The following conclusion also suggests itself. The priority of political-diplomatic methods over military ones in resolving contradictions and conflict situations, which has been proclaimed in today's conditions, has not changed the essence of war as continuation of politics by violent means. Furthermore, the arsenal of violent methods and means in use has been expanded in practice while political objectives have been retained. This being so, it is necessary to change the methodology for appraising the dangers and threats, as well as that for appraising the adversary. The new approach toward the appraisal of war must take into account the fact that adversaries (implacable rivals) will also emerge. In this case the provisions of the military doctrines of Russia and the other CIS states should also be reviewed.

A few more considerations in conclusion. It is universally known that the Western civilization's most economically developed countries are countries with constant and steadily rising consumption of material wealth. The United States, for example, with 5 percent of the globe's population, needs 30-35 percent of the world's resources and produces about one-half of all waste, thus aggravating the ecological situation. It is natural that such societies cannot have strategic prospects and are perfectly well aware of their decline. This is why they will seek any new forms and methods to secure their prosperity by achieving domination on a planetary scale.

Radical changes in the geopolitical situation have secured for the United States and NATO favorable conditions for implementing their planned military-political course over the next decade. It can be expected that the extremely rich natural resources and the intellectual, scientific, human, military, and other potentials of Russia and the entire CIS will increasingly attract the attention of the United States and its allies, which will be helped by the difficulties these countries are experiencing during the transition period.

If we were to adopt the U.S. approach and consider the improvement of forms and methods for waging modern

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wars and the causes of the emergence of serious regional conflicts, it can be asserted that the main threat to the vitally important interests of CIS states stems from precisely this policy pursued by the United States and the West as a whole. Therefore, despite the elimination of strategic confrontation between the two military-political systems, Russia and the entire CIS must be prepared to neutralize any aggressive aspirations and emerging conflicts at their earliest possible, peaceful stage.

**Moscow 'Perplexed' by Baltic Assembly Defense Resolution**

*LD0512182895 Moscow INTERFAX in English 1711 GMT 5 Dec 95*

[FBIS Transcribed Text] MOSCOW, Dec 5 (INTERFAX) — Moscow has been perplexed by the Baltic Assembly resolution on defense cooperation stating as the principal goal the creation of a defense alliance of Lithuania, Latvia and Estonia, Russian Foreign Ministry spokesman Mikhail Demurin told a briefing in Moscow Tuesday.

He stressed that while "European countries are putting forth joint efforts to find answers to modern challenges and to define future European security, the Baltic states are searching for an external threat and an external enemy."

According to Demurin, the seventh session of the Baltic Assembly "has produced nothing constructive for relations between Russia and the Baltic countries." We get the impression that "the activities of the Baltic Assembly have lately been aimed at heightening anti-Russian sentiments," he said.

Demurin said that "practically every session of the assembly passes documents which have a practically undisguised context of confrontation with Russia."

This time, "the so-called Russian threat was used as the main issue for heightening such sentiments," he said. "Estonian President Lennart Meri has traditionally acted as the first fiddle on this issue," said Demurin.

**Abkhaz Leader Says Georgia 'Unwilling To Compromise'**

*LD0612141695 Moscow INTERFAX in English 1027 GMT 6 Dec 95*

[FBIS Transcribed Text] SUKHUMI, Dec 6 (INTERFAX) — Abkhazian leader Vladislav Ardzinba again accused Georgia of "being unwilling to compromise and laying stock on unilateral concessions from Abkhazia."

In a letter to U.N. Secretary-General Butros Butros-Ghali, Ardzinba explained the present crisis in the negotiating process by "Georgian attempts to reconsider the statement on moves for the political settlement of the Georgian-Abkhazian conflict." He is surprised that "mediators support those attempts," Ardzinba said. The statement was signed on April 4, 1994.

In Ardzinba's view, "successful negotiations may continue only on the basis of that statement and the quadripartite agreement on the refugees signed in Moscow with the immediate participation of Dr. Butros-Ghali."

"An equitable treaty of union between Georgia and Abkhazia must offer guarantees against the resumption of combat action," Ardzinba said.

Ardzinba opposed attempts to play up the territorial integrity of Georgia and play down Abkhazia's right to self-determination.

He accused Georgia of unwillingness to play a role in "the normal repatriation process" and of "repeated attempts to make unacceptable demands for the accelerated repatriation of all refugees."

Ardzinba was worried by the presence of Georgian forces in the area controlled by Russian peacekeepers. Georgian militants, based in Abkhazia's Galsky District, launch attacks on the local authorities and new repatriates, he said. There is "undeniable proof" that those who killed Abkhazian Deputy Prime Minister Yuriy Voronov found refuge in Georgia and "moves by Georgian bandits undermine regional stability and present a threat to the peace process," Ardzinba stressed.

Ardzinba hoped "the United Nations will do its utmost to safeguard regional peace and will carry on its mediating efforts."

**Moscow Urges Tajik Opposition To Talk, 'Reject Force'**

*LD0512183395 Moscow INTERFAX in English 1711 GMT 5 Dec 95*

[FBIS Transcribed Text] MOSCOW, Dec 5 (INTERFAX) — Russia's Foreign Ministry has urged the Tajik opposition to reject force in solving the inter-Tajik conflict and use negotiations in Ashgabat "for serious political work," Foreign Ministry spokesman Mikhail Demurin said at a briefing in Moscow Tuesday.

"The negotiations in Ashgabat were started against the background of a sharp worsening of the situation on the Tajik-Afghan border caused by provocative actions of the Tajik opposition fighters, and this arouses serious concern," he said.

A total of 197 rocket projectiles were launched from the Afghan side and from Tajik territory against the 12th

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border post of the Moscow border guards detachment Dec. 1 through 4.

"The border guards were forced to undertake measures to suppress the fire and to destroy the fighters' launchers," he said.

"The negotiations started on November 30 should be held in the atmosphere of a strict adherence to the ceasefire agreement signed by the parties in September 1994," Demurin underlined.

**Progress in Black Sea Fleet Handover Viewed**

*MM0612114495 Moscow KRASNAYA ZVEZDA in Russian 5 Dec 95 p 3*

[Reports by Captain First Rank Vladimir Pasyakin and Vladimir Maryukha under general heading: "If Not By Partition Then By Reduction; Black Sea Fleet Obliged To Transfer Its Establishments and Ships to Ukraine"]

[FBIS Translated Text] Until all officers, ensigns, and warrant officers of the Black Sea Fleet, now undergoing reduction, receive new jobs and posts, a group from the Navy General Staff headed by Rear Admiral Konstantin Kolotygin, deputy chief of the organization and mobilization directorate, will work in the fleet. About 5,300 Black Sea Fleet servicemen have to be "found jobs" and places will be provided for them to continue their service not only in the navy but also in the Border Troops and Ministry for Emergency Situations.

Rear Admiral Kolotygin's working group has arrived in Sevastopol to agree on questions relating to the reduction of the Black Sea Fleet and the transfer of the released establishments to the Ukrainian side. Except for individual ships and units the date for whose transfer has been put back to spring 1996 by the end of the year establishments and deployment points in Kerch, Mirnoye, Donuzlav, Chernomorsk, and Simferopol should be handed over to Ukrainian ownership. The Black Sea Fleet retains Sevastopol, Feodosiya, Kacha, Gvardeyskoye, and Verkhnesadovoye. By an order of the Black Sea Fleet commander, a commission has been appointed for the transfer of Black Sea Fleet establishments and equipment and it started work 4 December.

Vice Admiral Petr Svyatashov, chief of staff of the Black Sea Fleet, now acting commander, has given an assurance that not one of the servicemen who is being reduced will remain unheeded, including those who are being released into the reserve after the required length of service. Nor will any obstacles be put in the way of those who want to transfer to service in the Ukrainian Navy. [Pasyakin report ends]

The Black Sea Fleet servicemen's concern not even for the fleet's future but for its present, when they are having to hand over the facilities set up with their own hands, knowing that the receiving side does not need them and that they could serve for a while yet is entirely understandable. For the majority of seamen to this day, despite the plethora of "divorce" decisions only one state is acceptable for the Black Sea Fleet — as a single and indivisible fleet. But, alas, this can be spoken of only as a good intention — the "great partition" has already taken place not only for the ships but also for human fates. On the other hand, knowing that it is your home, your fleet, that is being destroyed, it is hard to accept the arguments that it is no easier for others, even inside Russia.

Alas, the military would be glad to leave the fleet the size it is today but maintaining establishments and ships which sooner or later will have to be handed over to Ukraine is thriftlessness, because there is not even enough money to maintain in a state of combat readiness that which Russia will keep. Yet the Black Sea Fleet servicemen also have to provide amenities for the Russian coastline and pay for their basing in Crimea and it would be no bad thing to update the stock of ships.... In other words Russia's Black Sea Fleet today is simply too expensive. So that to some degree the diplomats' loss in the Black Sea is the result not of the officials' "intrigues" but by the emptiness of the budget purse. And that which so perturbs the Black Sea Fleet servicemen today will depend on how full it is: Will there not be further reductions to the fleet which will leave unemployed those who have not once betrayed the oath they gave. Alas, to this question the military cannot give an unequivocal answer because money for defense is disappearing more quickly than the fog of election promises.

**Kremlin Commission To Negotiate Release of Pilots**

*LD0512182395 Moscow INTERFAX in English 1711 GMT 5 Dec 95*

[FBIS Transcribed Text] MOSCOW, Dec 5 (INTERFAX) — The Kremlin commission for prisoners of war, detainees and missing is now handling the question of a possible release of Russian pilots who have been held by members of the Taleban movement in Qandahar since early August, a Kremlin source told INTERFAX.

He said negotiations on the pilots' release had run into a deadlock because the Russian delegation was not high-powered enough. The source said not only did Taleban accuse Russia of supporting incumbent Afghan leader Borhanoddin Rabbani, whose term of presidency has expired, but also of actions by Russian-speaking mercenaries who sided up with Rabbani after the Soviet pullout from that country.

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Taleban has rejected Tatarstan's offer of a $30 million ransom for releasing the pilots, he said.

The source said the Pakistani government wielding influence with Taleban was ready to mediate in the talks, but "the Russian foreign ministry has ignored Islamabad's proposal for a formal visit to Russia by Prime Minister Benazir Bhutto."

The Kremlin commission plans to add military experts to the Russian negotiating team, the source said.

**Spokesman on UN Extension of Macedonian Deployment**

*LD0512201895 Moscow INTERFAX in English 1811 GMT 5 Dec 95*

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, Dec 5 (INTERFAX) — Russia was a co-author of the November 30 resolution by the U.N. security Council to extend the mandate of the U.N. preventive deployment force in Macedonia until May 30, 1996, Russian Foreign Ministry spokesman Mikhail Demurin told a briefing in Moscow Tuesday.

With the Dayton accord initialled and the prospects for its signing, steady and just peace in the Balkans appears quite feasible, he added.

"The situation in Macedonia is unlikely to represent a threat to international peace and security, while a threat to its independence and territorial integrity is also little probable on the present stage," Demurin said.

"Russia believes that the U.N. preventive deployment operation in Macedonia has successfully achieved its goals, and the matter should be driven towards curbing the force as the progress towards peace in the Balkans is irreversible," Demurin concluded.

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## Political Issues

### Yeltsin Meets Chernomyrdin; Condemns Groznyy Bomb

*LD0512135795 Moscow ITAR-TASS World Service in Russian 1306 GMT 5 Dec 95*

[By ITAR-TASS correspondent Andrey Shtorkh]

[FBIS Translated Text] Moscow, 5 Dec (ITAR-TASS) — A meeting was held today at the "Barvikha" sanatorium between Russian President Boris Yeltsin and Russian Federation head of government Viktor Chernomyrdin. Subjects discussed included the progress of the election campaign in Russia, the situation in the Chechen Republic, preparations for the signing in Paris on 14 December of documents on a settlement in Bosnia, a strategy for Russia's economic security, and progress in the monetary phase of privatization in Russia.

A report which has reached ITAR-TASS from the head of state's press service notes that "the president of Russia condemned those who organized the bloody provocation in Groznyy which resulted in human casualties." The president feels that behind the actions of the terrorists "one can glimpse a desire to wreck the republic's ongoing move towards peace." Boris Yeltsin called on "all who live and work in the Chechen Republic to remain calm and not give in to provocations."

As reported by the president's press service, Boris Yeltsin and Viktor Chernomyrdin "had a detailed discussion of the positions of the delegation that will represent Russia on 14 December in Paris at the ceremony of the signing of the Bosnian peace agreement, initialled in Dayton."

The prime minister has familiarized the president with the progress in the implementation of the tasks set out in the message of the head of state to the Federal Assembly "On the Effectiveness of State Power in Russia," as well as reported to him on the progress of the implementation of the president's decree "On Procedure for Handover of State-Owned Shares as Security." Boris Yeltsin, according to the report of his press service, "drew attention to the need for a well-considered approach to the implementation of the monetary stage of privatization," having stressed that while it is being implemented the interests of every Russian citizen and the state as a whole must be taken into account.

The president's press service also said that "Boris Yeltsin supported the government's proposal for moving the bank holiday from 9 to 11 December."

### Government Condemns Groznyy Explosion

*LD0512230595 Moscow ITAR-TASS World Service in Russian 1507 GMT 5 Dec 95*

[FBIS Translated Text] [no dateline as received] — The full text of the statement by the Government of the Russian Federation follows:

"Destructive forces are trying to detonate the situation in the Chechen Republic. An act of vandalism has been committed in the city of Groznyy that has caused the deaths of peaceful inhabitants of the republic. A large number of people have been wounded. Women and children were among the casualties. The extremists have moved from terrorist acts against individuals to terror against the people.

The government expresses deep condolences to the relatives and friends of those who died and to everyone who has suffered at the hands of the murderers. We are convinced that the criminals will be found and severely punished.

There is no alternative to peace on Chechen soil.

[signed] V.S. Chernomyrdin, chairman of the Government of the Russian Federation"

### Yeltsin, Barsukov Discuss Elections, Chechnya, Terrorism

*LD0612112195 Moscow ITAR-TASS in English 1058 GMT 6 Dec 95*

[By Andrey Shtorkh]

[FBIS Transcribed Text] MOSCOW, December 6 (ITAR-TASS) — Russian President Boris Yeltsin has met Director of Federal Security Service Mikhail Barsukov in the "Barvikha" sanatorium in the Moscow countryside today. During the meeting the president and the federal security chief discussed the situation in the country in the run-up to parliamentary elections, the situation in Chechnya and measures aimed at combating terrorism in the country.

The press service of the Russian president reported that during the meeting the sides thoroughly discussed the situation in the country on the eve of parliamentary elections and ways of settlement of the Chechen conflict.

The Federal Security Chief has reported to the president about measures taken to reinforce the Federal Security Service, including the department in charge of combating terrorism which has reached a dangerous level by now, the same source said.

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### Yeltsin Meets With Moscow Oblast's Tyazhlov

*MM0612113095 Moscow ROSSIYSKIYE VESTI in Russian 6 Dec 95 p 2*

[Report by Nikolay Aleksandrov: "No Documents, But to the Point"]

[FBIS Translated Text] As reported, Boris Yeltsin received Moscow Oblast Administration Head Anatoliy Tyazhlov at the "Barvikha" sanatorium near Moscow, where he is convalescing. Millions of television viewers in our country saw the item showing the president meeting with the Moscow region governor in the Barvikha grounds, but not everyone knows that after their short stroll Boris Yeltsin invited Anatoliy Tyazhlov into an office at the sanatorium and was extremely surprised to learn that the governor had come to the meeting without any official papers. Anatoliy Tyazhlov had evidently assumed that the president requires a gentle regime and should not be burdened with work on documents. But, as the editorial office has learned, the president and the Moscow Oblast Administration head nevertheless discussed a broad range of problems. Boris Nikolayevich takes a constant interest in how things stand in Moscow Oblast. Our newspaper reported in detail (ROSSIYSKIYE VESTI No. 100) the president's late-May visit to two Moscow area rayons during which he familiarized himself with the situation in the oblast's industry and agrarian complex.

And now we have yet another meeting devoted to the life of the Moscow region. The president devoted a great deal of attention to the situation in the banking sphere in this major industrial region and bank depositors' interests. The position of some commercial banks which are currently experiencing serious financial difficulties were discussed in particular. Boris Yeltsin advised Tyazhlov to meet with Central Bank Chairman Dubinin and discuss possibilities for using the reserve fund to support depositors.

Problems linked with the Federation Council, the law on the procedure for whose formation has been repeatedly examined by the Duma, were also discussed. Anatoliy Tyazhlov spelled out his own view of this process and also, as chairman of the Union of Governors, the views of those administration heads who support it. He expressed himself very definitely in favor of the need for this this law and, in general, all laws to be adopted not with a view to the immediate situation or for the sake of transient political interests but with consideration for the prospects for the development of the state and society. Laws are not adopted for just a day or a year; they must be long-term in nature.

Answering a ROSSIYSKIYE VESTI correspondent's question about the governor's impression of his meeting with the president, Anatoliy Tyazhlov said: "I felt as if I was in the president's official residence, not a sanatorium ward. From the very first minutes of our conversation I had no sense of any serious restrictions affecting Boris Nikolayevich's stay at Barvikha."

### Yeltsin Sends Greetings to CIS Prosecutors

*LD0612114695 Moscow ITAR-TASS in English 1104 GMT 6 Dec 95*

[FBIS Transcribed Text] MOSCOW, December 6 (ITAR-TASS) — President Boris Yeltsin has sent a message of greeting to prosecutors of the CIS who are holding a conference now.

The message says that fostering law and order and combating crime are the most acute problems faced by the CIS countries and that the solution of these problems is a task of priority importance. "It is impossible to build a strong state with a millstone of crime hung around one's neck," the message said.

Boris Yeltsin pointed out the importance of coordinated efforts and mutual assistance. He noted that the very fact that the prosecutors got together in a bid to reach accord and understanding in the process of a frank exchange of opinions is the evidence of their mutual desire to resolve common problems and inspires hopes that an accord will be reached.

The president wished participants in the conference that their efforts to strengthen law and order in the country as well as professional and friendly contacts be a success.

### Yeltsin Signs Law on Forming Federation Council

*LD0612135395 Moscow INTERFAX in English 1027 GMT 6 Dec 95*

[FBIS Transcribed Text] MOSCOW, Dec 6 (INTERFAX) — Russian President Boris Yeltsin on Wednesday signed a bill on the formation of the Federation Council, making it into law.

The bill was passed by the State Duma on Tuesday [5 December].

By signing the law, the president has prevented a constitutional crisis, which could have broken out after the elections if the law had not been signed, the presidential press service said.

Yeltsin has also recalled his inquiry from the Constitutional Court.

Under the law, "the Federation Council will consist of two representatives from each constituent member of

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the federation: The head of the legislative body and the head of the executive body."

The law also stipulates that "the election of heads of executive power bodies in the constituent members of the federation should be held not later than December 1996."

The majority of current heads of regional administrations have been appointed by the president.

However, the Federation Council believes that the new law runs counter to the constitution and violates regions' right to decide on the issue of elections. It also claims that the law fails to determine a mechanism for forming the upper house of parliament.

The law causes many new controversies, believe members of the Federation Council, and does not take into account the fact that the leaders of many republics are the heads of neither legislative nor executive power bodies.

Earlier, presidential aide on legal issues Mikhail Krasnov told INTERFAX that "after a full-fledged parliament" has been established, the president may come up with a number of proposals to perfect this law.

**Yeltsin Appoints New Health Minister**

*LD0612082795 Moscow ITAR-TASS World Service in Russian 0703 GMT 6 Dec 95*

[FBIS Translated Text] Moscow, 6 December (ITAR-TASS) — According to the press service, Russian President Boris Yeltsin today signed a decree appointing Aleksandr Tsaregorodtsev minister of health and the medical industry of the Russian Federation.

**Bomb Explodes in Lysenko's Office in Duma Building**

**Deputy Suggests 'Electoral Move'**

*LD0512210995 Moscow NTV in Russian 1900 GMT 5 Dec 95*

[From the "Segodnya" newscast by announcer Mikhail Osokin]

[FBIS Translated Text] For the first time a bomb has exploded in the State Duma building:

[Correspondent Aleksandr Lenskiy] The explosion went off at 1705 [1405 GMT] on the seventh floor of the new State Duma building in the office of the leader of the National Republican Party, Nikolay Lysenko.

[begin Lysenko recording] I should have been there because I told my assistant I was in my office, that he should pass on that I would be there in a second to sign a document. [end recording]

Militiamen from the State Duma guard were among the eyewitnesses. They heard a bang, the sound of breaking glass, and saw sparks.

[begin unidentified militiaman recording] There was a fire but it was quickly put out by our own forces before the arrival of the fire brigade. [end recording]

No one was hurt in the explosion. Glass blown out of the office window in the explosion badly damaged the hood of a car belonging to another deputy, Vyacheslav Nikonov.

[begin Nikonov recording] As a rule Lysenko ends up in these situations. It's difficult to say at present whether it was an attack or some kind of electoral move. [end recording]

Representatives of the investigation are not revealing their theories.

[begin second militiaman recording] Before coming up with any theories, I have to see what happened there. [end recording]

Lysenko himself suggests that a Caucasian mafia made an attempt on his life.

[begin Lysenko recording] It was a powerful explosive device, my desk was completely destroyed, a cupboard was destroyed, the ceiling was blown out, the window was blown out, the door — that is a very powerful explosion. [end recording]

An operational investigative group of the Federal Security Service and Interior Ministry will probably work at the scene of the event all night. The theory of a terrorist attack against Deputy Lysenko has not yet been officially confirmed. It's hardly worth expecting official confirmation until the investigation is completed.

**Bomb Comprised 'Several' Grenades**

*LD0612113995 Moscow ITAR-TASS in English 1101 GMT 6 Dec 95*

[By Olga Semyonova]

[FBIS Transcribed Text] MOSCOW, Dec 6 (ITAR-TASS) — The explosive device which went off inside the office room of Russian parliament member Nikolay Lysenko on Tuesday [5 December] was made of several anti-personnel grenades with clock-work, Moscow security officials told ITAR-TASS on Wednesday.

The officials at the Moscow regional department of the Federal Security Service said that the device placed in the room was made of several F-1-type grenades with clock-work. The experts gave no other details. The investigation into the case was continuing.

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Tuesday's explosion seriously damaged the room. Nobody was hurt.

### Rybkin To Tighten Security in Building

*LD0612124895 Moscow ITAR-TASS in English 1216 GMT 6 Dec 95*

[By Ivan Novikov]

[FBIS Transcribed Text] MOSCOW, December 6 (ITAR-TASS) — Duma Speaker Ivan Rybkin said at a plenary session in the State Duma today that control over access to the building of the State Duma would be tightened. Rybkin said that an investigation into yesterday's incident was underway, adding that no more details about the incident were immediately available.

On Tuesday, an explosion occurred at the office of lawmaker Nikolay Lysenko inside the Duma building. In connection with the incident, Rybkin noted that a similar incident involving Nikolay Lysenko occurred during parliamentary elections in Saratov in 1993 when an blast went off several days before the vote. Rybkin declined to provide details, saying that he had been notified about the incident by the Saratov law enforcement bodies.

Rybkin accepted criticism voiced by a lawmaker who complained of poor control over admission to the Duma building. Rybkin noted that incidents had been reported when outsiders got inside using forged admission cards.

The Speaker said that he was prepared to issue a resolution on the lawmakers' consent authorizing access to the building to the lawmakers' aides who have permanent admission cards.

Lawmaker Yuriy Yakovlev, not satisfied with explanations given by the speaker, raised the question of confidence in the Duma chairman, but the motion was rejected since it was backed by 33 lawmakers only.

### New Security Fence To Surround Kremlin Offices

*MM0612120695 Moscow KOMSOMOLSKAYA PRAVDA in Russian 6 Dec 95 p 1*

[Report by Oleg Yermolayev: "President Reinforces Position"]

[FBIS Translated Text] All the indications are that the president, worried about his own security and the security of his staff on the eve of the approaching elections, does not even trust the Kremlin's thick walls. Just the other day the erection of an internal fence began around Kremlin administrative block No. 14, in which the presidential offices are housed pending completion of repairs to the main building.

A very tall fence, some 3.5 meters high, will soon encircle the president's residence, partitioning the already narrow passageway between the Kremlin wall and Block 14 itself. In the same place there will be a checkpoint — the third, incidentally. Subsequently the fence will also divide the entire official, presidential zone from the remainder of the Kremlin grounds.

Every visitor entering the Kremlin by the Spasskiy Gate will be stopped at three barriers, at two of which, as well as a document inspection, he will apparently have to pass through a [metal detector] "gate." At the third, inside the holy of holies, apart from everything described above, he will have to expose the contents of his hand baggage to the gaze of an "x-ray television." Incidentally, outsiders do not use the Spasskiy passage. But no doubt the security guards know best.

### Businessman From Buryatia To Run for President

*LD0612124795 Moscow ITAR-TASS in English 1140 GMT 6 Dec 95*

[By Petr Tsyrendorzhiyev]

[FBIS Transcribed Text] ULAN-UDE December 6 (ITAR-TASS) — A businessman from the Russian republic of Buryatia in southern Siberia, who has never been in politics, is going to be named as a candidate for the Russian presidency at 1996 elections.

Aleksandr Lobanov, 35, a former military pilot, who is now heading a Russian-Finnish joint venture "Union of Motor Cars", is backed by mostly military people and entrepreneurs who have created a group to collect one million signatures for his registration as a presidential candidate.

Lobanov's company created in 1992 deals with reexport of Russian-made cars and their servicing.

### TsIK Discourages Presidential Campaigns Before 17 Dec

*MM0512155095 Moscow ROSSIYSKAYA GAZETA in Russian 5 Dec 95 p 5*

["Appeal by Russian Federation Central Electoral Commission," dated Moscow, 24 November 1995 — from the "Documents" section]

[FBIS Translated Text] The election campaign for the election of deputies of the second convocation of the Russian Federation Federal Assembly State Duma has entered its concluding stage. Less than one month remains until election day — 17 December 1995.

Forty-three electoral associations and electoral blocs are aspiring to be allocated 225 deputies' seats in the State

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Duma for the federal electoral district, as well as more than 2,600 candidate deputies registered in 225 single-seat electoral districts.

Elections to legislative (representative) organs of state power and of heads of executive power, elections to organs of local self-government, and also referenda on various questions of state and local significance are scheduled for 17 December in many components of the Russian Federation simultaneously with the elections of State Duma deputies.

Under these conditions electoral commissions in many components of the Russian Federation have been obliged to exercise powers relating to elections at various levels.

Account must also be taken of the fact that the completion of one election campaign coincides with the start of another. In accordance with its constitutional powers, the Russian Federation Federal Assembly Federation Council has scheduled the election of the Russian Federation president for 16 June 1996. The adopted decision attests to the desire of the organs of state power to ensure that a free election of the president of the Russian State is held within the constitutional deadline.

The Russian Federation Central Electoral Commission [TsIK] is prepared to fulfill all the powers entrusted to it, for which provision is made in federal legislation on the election of the Russian Federation president.

At the same time the commission appeals to citizens of the Russian Federation, public associations, and leaders of political parties and movements not to undertake actions before 17 December 1995 to mount an election campaign relating to the election of the Russian Federation president, so that citizens of Russia, electoral commissions at all levels, and other participants in the election process are able to maximally focus attention at such a crucial and tense time on holding the elections of State Duma deputies, creating equal conditions for the candidate deputies, and publicly and openly determining the voting results.

The Russian Federation Central Electoral Commission will make every effort to ensure that the elections of deputies of the Russian Federation Federal Assembly State Duma and of the Russian Federation president are held in strict accordance with federal legislation.

[signed] The Russian Federation Central Electoral Commission
[dated] 24 November 1995

**Alleged Flaws in Presidential Election Law Reviewed**

*MK0612122795 Moscow KOMMERSANT-DAILY in Russian 5 Dec 95 p 3*

[Report by Natalya Arkhangelskaya: "New Elections — Old Problems"]

[FBIS Translated Text] The parliamentary election campaign has not ended yet, but the presidential race has already gotten off to a vigorous start. More than six months ahead of the election, about a dozen politicians have officially put in their claims for the topmost state post. There will be more to come, analysts prophesy, supposing not without grounds that those willing to try their luck will number 50, if not more — especially since the law on presidential elections sets practically no limits on the flights of fancy of seekers of political adventure.

The presidential election campaign promises to be no less scandalous than the parliamentary election, and the first blood has already been shed: Vladimir Voronin, aspiring to the presidency, has been denied registration of his action committee due to incorrectly processed documents. The rejection procedure was accompanied by a scene, throughout which both the aspirant and the Central Electoral Commission chairman, thoroughly annoyed with each other, tempestuously exchanged rejoinders such as: "And who do you think you are?" Mr. Voronin's rage was in vain: The papers submitted by him amounted to no more than a rich source for a satirist. For instance, topping the list of the action committee members who nominated him for the presidency was a certain Mister Zatulkin, 10 months old judging by the date of birth mentioned thereupon. Further on the same way. Central Electoral Commission Chairman Ryabov's fury was also not right: He ought to save up his emotions, for this incident will surely not be the last during the next six months. However, even if the scandal in this case was caused by the ordinary unscrupulousness of Voronin's supporters, in principle trouble could also be in store for people strictly abiding by the law.

For instance, Chapter 4 of the law, specifying the procedure for the nomination and registration of candidates, contains a serious cause for misunderstanding. Aside from the general simplicity and even plainness of the procedure, the fact that it does not provide for the nominee's own agreement to the nomination also catches the eye, and this has already been taken advantage of by the action committee for nominating Boris Yeltsin. Meanwhile, the president himself has repeatedly emphasized that he will make a decision only after the parliamentary elections. The selfsame Yeltsin, for all that, can be

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nominated by any number of action groups, electoral blocs, and associations — the law contains no restrictions. Those seeking to inscribe the incumbent president's name on their banner will turn up — quite possibly without his even knowing it.

According to Chapter 5 of the law, dealing with the status of a candidate for the presidency, every candidate can have up to 200 accredited representatives, to be registered on the basis of a written application from a particular accredited representative. Proceeding from the experience of the Duma election campaign, Central Electoral Commission members fear that counterfeit applications could be submitted bearing the names of accredited representatives, who, in reality, might be unaware of their own participation in the election campaign. The practical aspect of such a swindle lies in the possibility left open for a dubious (or simply not popular) candidate to enlist well-known and respected citizens as his accredited representatives, serving as his business card, imparting more clout to him in the eyes of voters.

One should beware of the largest number of violations, however, during the stage of collecting signatures. The procedure for their collection and registration fully corresponds to the procedure stipulated by the law on the State Duma elections, and what has been going on during the parliamentary signature-raising campaign has already been covered in every detail. Article 34 of Chapter 4 of the election law allows citizens to sign in support of several candidates. We already know what sort of danger this is fraught with: Smart guys with a thorough grasp of the market economy will again be given a chance to earn money, extracting the passport data of signatories from residential building maintenance offices, medical institutions, various joint-stock companies, and banking structures. The trade in blank signature lists, judging from the experience of the parliamentary campaign, will acquire a still greater scope: One and the same list can be sold as many times as there are contestants for the president's seat.

Better still if really existing citizens, and not dead souls, appear on the signature lists: A counterfeit, as is known, is extraordinarily hard to pin down. And the verification process will be very laborious this time: One million signatures must be collected, not 200,000 signatures. One can easily imagine what this will turn into if their are several dozen candidates.

More can be said about the possible list of violations. Their range, directly depending on the number of participants in the election race, could be reduced by the immense expenditure required for the electoral campaign — not everyone can afford this. The signature collection can be cited to exemplify this. If during the parliamentary campaign the signatures under the party list cost $200,000 on average, in the presidential run-up, no less than $1 million will have to be spent for the same purposes. However, there is a seamy side to this medal: Given this expenditure, "indigent" candidates risk becoming too dependent of their sponsors, especially if it is taken into account that they receive from the latter the lion's share of their money — again, owing to the peculiarities of the law — illegally, mostly in "black cash."

In short, the legal problems of the parliamentary race, triggered by the imperfection of the law, can be reproduced in the presidential race. How they will affect the newly-elected Duma we will learn in the wake of 17 December. Similar consequences should be expected after 16 June, the only difference being that the invalidation of the presidential election will be a hundredfold more grave for society than the invalidation of the parliamentary election.

### Yavlinskiy Criticizes Second Privatization Program

*LD0512150295 Moscow INTERFAX in English 1435 GMT 5 Dec 95*

[FBIS Transcribed Text] MOSCOW, Dec 5 (FIA-INTERFAX) — Leader of Russia's liberal pro-reform Yabloko party, economist Grigoriy Yavlinskiy, on Tuesday slammed the government's second privatization program, characterized by auctions selling off blocks of shares.

Yavlinskiy argued that the majority of enterprises taken from under state control had failed to become private property in the real sense. Many of them have shown "considerably lower" performance levels after privatization than they did before it, he told a news conference at INTERFAX.

"Today it is impossible to give an accurate definition of the form of property that actually exists in the Russian economy. I call it post-state property," Yavlinskiy said.

However, he declined to comment on the results of recent auctions, where banks contested the right to control government shares in some of the more promising enterprises in exchange for money they would lend the government.

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## 'Clean Hands' Operation Exposes Corruption in MVD

*MM0612140695 Moscow KOMSOMOLSKAYA PRAVDA in Russian 6 Dec 95 p 1*

[Report by Ilya Goritsvet: "The Wolves. 'Clean Hands' — Around the Throat"]

[FBIS Translated Text] Operation "Clean Hands," authorized by the new MVD [Ministry of Internal Affairs] minister Kulikov, has prompted the leadership of other law enforcement agencies also to talk about combating corruption in their own ranks. According to the testimony of Vladimir Kirakozov, representative of the Russian Federation General Prosecutor's Office, at a routine press briefing, the retributive sword of the law is raised today even over those who were considered untouchable for a long time. Two priests of the goddess of Justice, two staffers of the FSB [Federal Security Service], and even two staffers of the supreme oversight body itself (the General Prosecutor's Office) are now facing investigation and trial for various crimes of office.

As usual, the police has outdone everyone when it comes to corruption. This year alone, nearly 800 staffers of the MVD system have been "brought to book" for abuses of power, and more than 400 cases are already being examined by the courts. Approximately 30 percent of them involve gross violations for the benefit of third parties. To put it more simply, the guardians of law and order shared the department's secrets with mafia organizations; turned a blind eye to "escapades" on the part of subordinates who had, as the professionals say, "bought them off"; and falsified criminal cases.

Among the "latest" cases is the exposure of criminal investigations operatives in Tyumen who were dealing in drugs, and the trial of three municipal police crews in Tushino in Moscow, where guests of the capital were subjected to savage extortion. They drove traders, mainly Caucasians, out to the forest park zone, and literally beat the money out of them. In order to counteract the wolves in police uniforms, the ministry has set up its own security administration within its structure, incorporating the former personnel inspectorate.

Vladimir Kirakozov refused to name the high-ranking MVD officials who have "come to light" in the course of operation "Clean Hands" (there are reckoned to be 15 of them), on the grounds that one of them has already been shot at.

## Miners Hold 'Quiet' Nationwide Protest

*LD0612111295 Moscow ITAR-TASS in English 0914 GMT 6 Dec 95*

[By Igor Ivantsov]

[FBIS Transcribed Text] MOSCOW, December 6 (ITAR-TASS) — The meetings of Russian miners held across the country on the initiative of the Miners trade union are proceeding in an organised manner and in a quiet atmosphere, chairman of the National committee of the independent coal miners union Vitaliy Budko told ITAR-TASS today.

Budko said the presidium of the Union decided not to call a national strike for Wednesday, but hold meetings, demonstrations and discussions in miners collectives instead.

The coal miners of Sakhalin, who were the first to begin their protest action, voiced their demands at meetings which were held before the beginning of work shifts so as not to hamper the production process.

The coal miners in Kuzbass also held meetings of groups working in shifts at most mines and collieries. In some cities and towns of Kuzbass picketing of the local administration buildings were organised.

Brief meetings were also held before the beginning of the working day by the miners in the Krasnoyarsk territory. Their leader Vladimir Dedukh told ITAR-TASS that the local miners voted against holding a strike earlier scheduled for December 6. He added that all the miners were determined to take an active part in the coming elections to the State Duma on December 17.

Representatives of almost all mining enterprises of the Chelyabinsk region joined pickets at the building of the regional administration despite the severe frost of minus 20 to protest the delay of wage payments. The wages are delayed for two to three months and there is no indexation for inflation, they said. The miners have appealed to the region's administrator, Vadim Solovev. They demand a prompt solution to the problem. Speaking for the territorial organisation of Rosugleprofsoyuz trade union Yuriy Globa told ITAR-TASS that his union was opposed to strikes which did nothing but undermine the industry.

Vitaliy Budko told ITAR-TASS that the overwhelming majority of miners work collectives are taking part in today's protest action. Apart from their economic demands, mainly for the timely payment of wages, the miners insist on the effective solution of specific problems in each mining region.

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The moderate character of today's protest action is largely due to the miners' awareness of the government's efforts designed to improve the situation in the industry. On the eve of the national action, the government took steps to alleviate the financial burden. In particular, it allocated an additional 500 billion roubles and provided a "tax holiday" for the industry in December.

## Media Issues

### Yeltsin Signs Law on State Support for Mass Media

*MM0612113195 Moscow ROSSIYSKAYA GAZETA in Russian 5 Dec 95 p 3*

[Russian Federation Federal Law No. 191, "On State Support for the Mass Media and Book Publishing in the Russian Federation," adopted by the State Duma on 18 October 1995, approved by the Federation Council on 15 November 1995, and signed by Russian Federation President B. Yeltsin in Moscow on 1 December 1995 — from the "Documents" section]

[FBIS Translated Text] The present Federal Law regulates the procedure for state support for the mass media and book publishing and the privatization of enterprises that enable them to function, and is aimed at safeguarding citizens' constitutional right to receive full and objective information.

**Chapter 1. Basic Concepts**

Article 1. Basic concepts used in the present Federal Law.

For the purposes of the present Federal Law the following definitions apply:

state support for the mass media — the range of organizational, organizational-technical, legal, economic, and other measures established by the state with a view to safeguarding citizens' rights to receive objective information and to freedom of speech, and also with a view to ensuring the independence of the mass media;

mass medium — a periodical printed publication, television, radio, video, or cinema newsreel program, or other form of periodical dissemination of mass information;

periodical printed publication — a newspaper, journal, almanac, bulletin, or other publication with a permanent name and current issue number and published not less than once a year;

television, radio, video, or cinema newsreel program — a collection of periodical audio or audiovisual reports and materials (transmissions) which has a permanent name and is issued (goes on air) not less than once a year;

mass media product — the print run or part of the print run of an individual issue of a periodical printed publication, an individual edition of a television, radio, or cinema newsreel program, or the production run or part of the production run of an audiotape or videotape of a program;

dissemination of mass media products — the sale (subscription, delivery, distribution) of periodical printed publications or audiotapes or videotapes of programs, the transmission of television or radio programs (broadcasting), or the screening of cinema newsreel programs;

editorial office of a mass medium — the organization (irrespective of form of ownership) carrying out the production and publication of a mass medium;

publishing house — an enterprise under the state form of ownership or an organization under another form of ownership carrying out the preparation, production, and publication of books and other printed matter;

printing enterprise — an enterprise under the state form of ownership or an organization under another form of ownership providing material and technical support for the publication of newspaper, book, and journal products;

television or radio broadcasting organization (television and radio broadcasting company — TRC) — an organization carrying out the production, editing, scheduling, and dissemination through electromagnetic waves (by air, cable, wire, or other electromagnetic systems) of audio (radio broadcasting) or visual and audiovisual (television broadcasting) mass information and data intended for direct reception by television viewers and radio listeners;

broadcasting center (BC) — radio and television broadcasting centers (RTBC), radio centers (RC), and other electronic communications organizations offering services for the dissemination of television and (or) radio programs prepared by television and radio broadcasting organizations;

news agency — an organization carrying out the collection and prompt dissemination of news;

organization for the distribution of periodical printed publications — an organization carrying out the sale of periodical printed publications both in the Russian Federation and in other states;

monopoly — an enterprise or organization recognized as such in accordance with antitrust legislation;

advertising mass medium — a mass medium in which advertising exceeds 40 percent of the content of an individual issue of a periodical publication, or, in

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television and radio programs, 25 percent of the volume of broadcasting;

erotic mass medium — a periodical printed publication or television or radio program which generally and systematically exploits interest in sex.

**Chapter 2. Tax, Customs, Currency, and Other Financial Regulation**

Article 2. Tax regulation.

Turnover from the sale of mass media products, book products associated with education, science, and culture, and editorial, publishing, and printing activities relating to the production of book products associated with education, science, and culture and of newspaper and journal products, is exempt from value-added tax.

Services relating to the transportation, loading, unloading, and transshipment of periodical printed publications and book products associated with education, science, and culture are exempt from value-added tax.

Profits obtained by mass media editorial offices, publishing houses, news agencies, television and radio broadcasting companies, organizations for the distribution of periodical printed publications and book products, and broadcasting centers from the production and dissemination of mass media products and book products associated with education, science, and culture are not subject to taxation as far as payment into the federal budget is concerned.

Profits obtained by printing enterprises and organizations from the provision of services relating to the production of book products associated with education, science, and culture and mass media output are not subject to taxation as far as payment into the federal budget is concerned.

Profits obtained by mass media editorial offices, publishing houses, news agencies, television and radio broadcasting companies, and organizations for the distribution of periodical printed publications and book products and channeled by them into the funding of capital investments in connection with their main field of activity are not subject to taxation. The tax-exempt proportion of profits used for these purposes is not subject to any limit.

Article 3. Customs regulation.

Periodical printed publications and book products associated with education, science, and culture that are imported into the customs territory of the Russian Federation and exported from that territory by mass media editorial offices and publishing houses are exempt from customs duties and import-export dues.

Paper, printing materials and print carriers [poligraficheskiye nositeli], audio and video information, and manufacturing and engineering equipment imported into Russian Federation customs territory by mass media editorial offices, publishing houses, news agencies, television and radio broadcasting companies, and printing enterprises and organizations and used by them to produce mass media products and book products associated with education, science, and culture are exempt from customs duties.

Article 4. Currency regulation.

Mass media editorial offices, publishing houses, printing enterprises and organizations, television and radio companies, news agencies, and organizations for the distribution of periodical printed publications are exempt from the compulsory sale of foreign currency revenue obtained from the export of book products associated with education, science, and culture or of newspaper, journal, audio, and video products, provided such revenue is used to acquire equipment and materials necessary for the production of mass media products and book products associated with education, science, and culture and the expansion of such production.

Article 5. Other financial and economic regulation.

Mass media editorial offices, publishing houses, news agencies, and television and radio companies may use the services of mail, telegraph, and telephone communications organizations at the tariffs stipulated for budget-funded organizations.

Mass media editorial offices, publishing houses, printing enterprises and organizations, news agencies, television and radio broadcasting companies, organizations for the distribution of periodical printed publications, and broadcasting centers are to pay the lease on premises in buildings under federal ownership at tariffs and rates no higher than those established for organizations in the culture sphere.

Mass media editorial offices, publishing houses, news agencies, and television and radio broadcasting companies are granted management authority over premises that they occupy or use in the process of their production and economic activity.

Article 6. Special features of tax, customs, currency, and other financial regulation.

The concessions stipulated in Articles 2-5 of the present Federal Law do not apply to book and periodical printed publications of an advertising or erotic nature or to mass media of an advertising or erotic nature.

The concessions stipulated in Articles 2-5 of the present Federal Law are to be applied according to the proce-

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dure and on the conditions defined by corresponding legislative acts of the Russian Federation on tax, customs, currency, and budget matters.

**Chapter 3. Special Features of the Privatization of Enterprises Providing Support for the Publication of Newspaper, Journal, and Book Products**

The privatization of enterprises providing support for the publication of newspaper, journal, and book products is to take place in accordance with existing Russian Federation legislation on privatization taking into account the special features laid down by the present Federal Law.

Article 7. Restrictions on privatization.

The following are not subject to privatization: publishing houses and printing enterprises classified exclusively as facilities under state ownership:

printing enterprises which are monopolies on the Russia-wide market for goods (services);

printing enterprises equipped with high-technology systems for the production of printed products of high artistic and quality standards;

publishing houses which are monopolies on the Russia-wide market for goods (services);

monopoly enterprises providing support for the functioning of the printing sector.

Publishing houses and printing enterprises which come under the present article may be converted to share ownership according to the procedure stipulated in Article 8 of the present Federal Law only by decision of the Russian Federation Government and not earlier than three years after the present Federal Law enters into force.

Article 8. Special features of the privatization of publishing houses and printing enterprises classified as facilities under federal ownership.

Printing enterprises located on the territory of Russian Federation components classified as facilities under federal ownership and which are monopolies in terms of the production of newspaper, journal, and book products on the territory of the relevant Russian Federation component, and printing enterprises belonging to the system of decentralized printing of newspapers and journals are to be converted into joint-stock companies.

25.5 percent of the shares are to be retained in federal ownership for a period of three years.

24.5 percent of the ordinary shares are to be transferred free to printing enterprises being converted to share ownership.

50 percent of the ordinary shares are to be transferred free to the corporate bodies — the mass media editorial offices and publishing houses which produce products at a given printing enterprise and which are to be converted to open-type joint-stock companies or are already such. Blocks of shares are to be distributed among them in proportion to the actual volume of output.

Mass media editorial offices, publishing houses, and printing organizations are entitled to sell some of the shares, attracting investors according to their own choice, on condition that the nature of their activity is preserved.

Mass media editorial offices and publishing houses producing products of an advertising and erotic nature are not permitted to participate in the distribution of shares by closed subscription.

Article 9. Procedure for privatization of publishing houses and printing enterprises which are not monopolies or have been transferred to the ownership of Russian Federation components.

The privatization of publishing houses and printing enterprises which are under federal ownership and are not monopolies, and of publishing houses and printing enterprises which have been handed over to the ownership of Russian Federation components, takes place in accordance with the present Federal Law and regional privatization programs.

**Chapter 4. On the Procedure for the Entry Into Force of the Present Federal Law**

Article 10. Schedule for the entry into force of the present Federal Law.

The present Federal Law enters into force from the day of its official publication.

Articles 2-5 of the present Federal Law enter into force from 1 January 1996, operate through 31 December 1998, and expire on 1 January 1999.

Articles 7-9 of the present Federal Law enter into force from the day of its official publication and operate until the ratification by the Russian Federation Federal Assembly of the State Program for Privatization of State and Municipal Enterprises in the Russian Federation.

Article 11. On bringing legal acts into line with the present Federal Law.

The Russian Federation president is invited and the Russian Federation Government is instructed to bring their legal acts into line with the present Federal Law.

[signed] Russian Federation President B. Yeltsin

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[dated] Moscow, Kremlin 1 December 1995
No. 191

## Military Issues

### Yeltsin Signs Edict on Military Discharge

*LD0512130495 Moscow ITAR-TASS in English 1207 GMT 5 Dec 95*

[By Sergey Ostanin]

[FBIS Transcribed Text] MOSCOW, December 5 (ITAR-TASS) — Russian President Boris Yeltsin signed a decree "On the discharge from the military service and extra measures for social protection of the servicemen who were or are taking part in combat operations and performing tasks in conditions of military conflicts."

The decree envisages the discharge from the military service of the servicemen who were called up no less than 18 months ago and who were or are performing tasks in conditions of armed conflicts in Chechnya and Tajikistan for one month or longer th[illegible]ne month and who were wounded, injured or receiv[illegible] contussion. These categories of servicemen are regarded on par with those who completed the duration of their military service under the call-up stipulated by law.

Under the decree, the time they were undergoing treatment in hospitals or other medical institutions is included in the record and seniority for appointing pensions on terms stipulated by federal legislation for servicemen performing tasks in conditions of armed conflicts. This benefit, as envisaged by the decree, also applies to staffers of Russian interior bodies.

Under the decision of the Russian Defence Minister, servicemen in the active service who put in over six month in troops in the territory of the Chechen Republic are now being. In addition, all soldiers and sergeants called up in the spring of 1994 will be replaced in the current month no matter how long they have been staying in Chechnya.

In future servicemen in units staying in regions of armed conflicts will be replaced in six months by personnel of troops from which there were sent to the conflict zones.

### Black Sea Fleet Division Seen as Unprecedented Surrender

*MK0512101595 Moscow SEGODNYA in Russian 2 Dec 95 p 1*

[Report by Viktor Yadukha: "Russia's Black Sea Fleet Is in Its Last Days. By the New Year the Black Sea Fleet Will Comprise a Sevastopol Base and Two Airfields"]

[FBIS Translated Text] Today the transfer of installations of the Crimea naval base and the Black Sea Fleet's Kerch garrison to Ukrainian Navy representatives officially began in Crimea. For this purpose a special commission of the Main Staff of the Russian Navy led by Rear Admiral Kolotygin, a high-level official at the Staff Organization-Mobilization Directorate, arrived at the Black Sea Fleet. The receiving side is headed by Rear Admiral Nikolay Kostrov, deputy commander of the Ukrainian Navy.

According to sources close to the Black Sea Fleet headquarters, the procedure for transferring the installations has been reduced to the "paperwork." As is known, the stage-by-stage transfer proceeded secretly, in violation of the Sochi agreements reached between Kuchma and Yeltsin. True, observers tend to consider these "violations" as fictitious as the presidential agreements themselves, because without the consent of the top Russian leadership, neither Navy Commander in Chief Gromov nor Defense Minister Grachev could have taken any such steps. Early next year the Russian Black Sea Fleet will be comprised of only the Sevastopol base and two airfields — in the areas of Kacha and Gvardeyskoye.

On the premises of the Crimean naval base, the fleet will retain two — amphibious and reconnaissance warship — brigades, but even these will soon be moved to Sevastopol. Furthermore, in Donuzlav, Ukraine will receive from Russia an ammunition arsenal with a unit capacity of 2,000 railway cars. In Kerch, Russia is leaving behind an even larger arsenal of ammunition equal to 2,157.3 notional railway cars. In Feodosia, Russia will retain a weapons testing center with approximately 2,000 servicemen — thus far Kiev is not insisting on its transfer — and also a shipyard and a division of support ships.

Here is how the logic behind this unprecedented surrender of Russian positions on the Black Sea is interpreted at the Black Sea Fleet headquarters: The Moscow headquarters of the Russian Navy has to comply with the law on downsizing the Armed Forces, but they want to retain their chairs at the expense of the total elimination of the Black Sea Fleet. The Russian Federation Navy is to be halved, and the Black Sea Fleet has already been halved: Of 67,000 servicemen in 1991, 35,00 remain

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today, while another 5,260 will be dismissed before the end of the year. Meanwhile, sources at the Organization-Mobilization Directorate of the Main Staff of the Russian Navy say that by the year 2000, the number of Black Sea Fleet personnel will be reduced to 19,000.

## Federal Assembly

### State Duma Approves 1996 Federal Budget

*LD0612125595 Moscow ITAR-TASS in English 1245 GMT 6 Dec 95*

[FBIS Transcribed Text] [No dateline as received] The State Duma today approved finally, upon second and third readings, the country's Federal Budget for 1996.

### Deputy Lysenko Says 'Caucasus Mafia' Behind Duma Blast

*LD0512175095 Moscow ITAR-TASS in English 1729 GMT 5 Dec 95*

[By Pavel Kuznetsov]

[FBIS Transcribed Text] MOSCOW, December 5 (ITAR-TASS) — Russian State Duma deputy Nikolay Lysenko said that the "Caucasus Mafia" was behind the blast which hit his office in the lower house building, several hundred metres (yards) from the Kremlin walls, on Tuesday.

Lysenko spoke to reporters after having been questioned by investigators. The head of the rightist National Republican Party said that the attack was "an attempted revenge" for his repeated statements calling to crush Mafia coming from the Caucasus and Central Asia.

Lysenko cited his earlier statement that "the problem of organised crime (in Russia) could be 80 per cent solved provided the problem of 'Caucasus' and 'Central-Asia' Mafias is solved."

Lysenko said that he had suggested more than once to seal the borders of the Russian Federation with a tough visa and passport control.

The lawmaker said he left the office several minutes before the explosion, as all telephones were occupied there and he needed a prompt connection. A few minutes after this, his aide received a telephone call asking for Lysenko. The aide informed his boss on the request. Lysenko replied that the caller should hold on for a while, but when coming back, the aide found the line disconnected. He left the office again to tell Lysenko that the call had been canceled, and a few seconds later followed the explosion.

Lysenko told reporters that he was sure about the linkage between the blast and the mysterious telephone call.

According to preliminary police data, the character of the blast strongly suggested that a hand grenade had been exploded in the office.

Lysenko draw media headlines three months ago, when during a brawl in the State Duma after a heated debate on Bosnia, he attacked Gleb Yakunin, a deputy and a defrocked priest. Lysenko shouted that Yakunin had no right to wear a cassock and a cross and ripped the cross off and refused to hand it back.

### Investigative Details of Explosion

*LD0612083195 Moscow INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY in Russian 0753 GMT 6 Dec 95*

[FBIS Translated Text] The capital's Main Directorate of Internal Affairs has told Moscow Echo radio station that the explosive device which was placed in the office of Deputy Nikolay Lysenko on 5 December was composed of three F-1 grenades and a fuze delay. The force of the blast was equal to 200g of TNT.

### No-Confidence Vote on Duma Speaker Rybkin Fails

*LD0612114895 Moscow Radio Rossii Network in Russian 1000 GMT 6 Dec 95*

[FBIS Translated Text] An attempt to express no confidence in its chairman failed today in the State Duma. This issue was put to the vote by the speaker himself after deputy Yuriy Yakovlev from the Democratic Party of Russia faction said that Ivan Rybkin should shoulder the responsibility for the explosion in Deputy Lysenko's office on 5 December.

Only 33 persons voted to express no confidence in the chairman.

### Rybkin Addresses Duma on Talks With Yeltsin

*LD0512132495 Moscow ITAR-TASS in English 1252 GMT 5 Dec 95*

[By Ivan Novikov]

[FBIS Transcribed Text] MOSCOW, December 5 (ITAR-TASS) — In a move that has put an end to the drawn-out debate about the law on forming the Federation Council [FC] (upper house of parliament), the State Duma today over-ruled the Federation Council veto on the law concerning the procedure of forming the upper house of Russian parliament as approved by the lower house earlier.

The Duma voted by a 311 majority in favour of overruling the veto, 11 votes more than required by the rules. Nine parliamentarians voted for the veto and five abstained.

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The law concerning the procedure of forming the upper house of parliament was drafted by FC deputy chairman Artur Chilingarov but it was turned down by the Federation Council recently.

The Chilingarov version contains the key provision in keeping with which two representatives of every component part of the Federation, their heads of the legislative branch of power, become members of the Federation Council ex-officio.

The voting in the State Duma today was preceded today by a brief speech of chairman Ivan Rybkin who told the house about his recent conversation with President Boris Yeltsin. Rybkin said the President praised the law "Concerning the procedure of forming the Federation Council" which was approved by the Duma.

Rybkin did not rule out new changes to the law, should they be proposed by the President.

In keeping with the Constitution, the law will be forwarded to the President of Russia for signature after today's vote in the lower house.

### Rybkin Hails Latest Draft Law on Federation Council

*LD0512182095 Moscow INTERFAX in English 1711 GMT 5 Dec 95*

[FBIS Transcribed Text] MOSCOW, Dec 5 (INTERFAX) — The Duma-reapproved draft law on the Federation Council is the most reasonable, well-balanced and thought-out, Duma Chairman Ivan Rybkin told journalists after a plenary session Tuesday.

"The president is entitled to decide whether to sign this law on his own, but I believe that it is very close to his point of view on the formation of the Federation Council," he added.

Last Thursday, President Yeltsin sent a letter to the State Duma saying the lack of a relevant law was fraught with a constitutional deadlock after December 12 as the Federation Council's powers will expire. Yeltsin proposed the Duma take the presidential version of the bill "as a basis for compromise." However, the Duma first reconsidered its own version of the bill to override the Federation Council's veto.

The Duma submitted this document to Yeltsin, who is either to sign or return the bill within two weeks.

### Duma Adopts Draft Law on Chemical Weapons Elimination

*LD0512232495 Moscow Radiostantsiya Ekho Moskvy in Russian 1900 GMT 5 Dec 95*

[FBIS Translated Text] Today the State Duma adopted a draft law on the elimination of chemical weapons in its first reading. In 1998 an installation for the elimination of chemical weapons should undergo testing and in 1999 the first 400 tonnes should be eliminated. In the opinion of Aleksandr Piskunov, deputy chairman of the State Duma committee for defense, the absence of a legislative basis is one of the major factors that is slowing down this process. Aleksandr Piskunov stressed that while the need for such a law is obvious, a number of deputies resisted the draft. Aleksandr Piskunov believes that this is caused by the election campaign and the desire on the part of deputies to raise their popularity among a certain proportion of the electorate. A mixture of incompetence on this issue and political ambitions is to blame here, he stressed.

## Regional Affairs

### Chechnya Reportage: Negotiations, Elections, Military

#### Moscow Condemns Bombing in Groznyy

*LD0512190295 Moscow ITAR-TASS in English 1756 GMT 5 Dec 95*

[FBIS Transcribed Text] MOSCOW, December 5 (ITAR-TASS) — The Russian government on Tuesday condemned Monday's blast in Chechnya and described it as evidencing that extremist forces in the republic have shifted to "terror against the people."

The government said in a statement under Prime Minister Viktor Chernomyrdin's signature that it condoles with the next of kin of those who were killed or wounded by the blast.

The Russian government believes that the crime organisers will be found and severely punished, the statement said.

At 12:15 hours Moscow time (09:15 GMT) on Monday, a car bomb exploded close to the premises of the federal executive authorities in Groznyy killing at least four and wounded over 20 people.

Russian deputy executive chief in Chechnya Vladimir Zorin on Monday said the Russian federal authorities were quick in providing first medical aid to those injured and in launching rescue work. "We continue to work in full scope," Zorin said.

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### Kulikov: No Need for State of Emergency

*LD0512212895 Moscow Radiostantsiya Ekho Moskvy in Russian 1900 GMT 5 Dec 95*

[FBIS Translated Text] Russian Interior Minister Anatoliy Kulikov believes that what happened in the Chechen capital yesterday should in no way affect the holding of the elections to the head of the republic and State Duma deputies on 17 December.

[Begin Kulikov recording] Interior Ministry bodies and the federal forces who are performing their task both in Groznyy and the republic's villages have already been put on red alert. Operational and investigative sub-units are taking measures aimed at searching for and detaining the criminals. This is a monstrous act. This is further confirmation as to whom we are dealing with. We are dealing with the criminal regime, with bandits. The sooner the elections are held and the legitimate normal power is established there, the sooner the situation will calm down. The rest should be promptly captured and handed over to the legal authorities. [end recording]

As to the possibility of introducing a state of emergency in the republic, the minister thinks that at present there is no need for this. He claims that all the measures have already been taken.

### Kovalev: Talks Must be Multilateral

*LD0512212195 Moscow INTERFAX in English 1925 GMT 5 Dec 95*

[FBIS Transcribed Text] MOSCOW, Dec 5 (INTERFAX) — Russian Justice Minister Valentin Kovalev and OSCE [Organization for Security and Cooperation in Europe] envoy Istvan Gyarmati have met in Moscow to discuss elections in Chechnya and ways of stepping up the negotiating process.

According to the Justice Ministry's press-service the talks in Chechnya should be multilateral, as "there is a variety of rival political forces."

Gyarmati said that the negotiating table is the sole place where a decent way out of the political confrontation can be expected.

Gyarmati spoke highly of President Yeltsin's decree "On Legal Guarantees for Members of Unlawful Armed Formations."

Gyarmati also said that after Doku Zavgayev became head of the Chechen republic, "the level of security of the OSCE mission slightly increased."

### Dudayev: Those Elected Will 'Suffer'

*MS0612094595*

[FBIS Editorial Report] The London ITV Television Network in English at 1900 GMT on 5 Dec carries a 10 minute report by correspondent Lawrence Macdonald from Chechnya on how the republic is recovering from the recent Russian invasion, including brief interviews with Doku Zavgayev, Moscow's candidate for the upcoming elections, also with Chechen leader Dudayev, and with Aslan Maskhadov, Commander of Chechen rebels.

The report opens with shots of Groznyy, showing scenes of devastation, a street market, and then focuses on a Chechen family who now live underground in a bomb shelter.

The report continues with shots of the aftermath of a recent bomb attacks on the Russian Administration building, and an assassination attempt on Moscow's candidate for the Chechen leadership Doku Zavgayev. Zavgayev says: "There will be measures taken against terrorist attacks according to the law, most decisive measures will be taken against whoever carries them out. It's the same in any civilized state and the same will happen here, we will not allow people here to suffer."

The report continues with shots of Chechen rebels moving on a hillside, cutting to show Chechen leader Dzokar Dudayev, in military uniform, in his 'secret' hideout. Dudayev speaks: "This scum, these swine who sold out their nation have sacrificed thousands and thousands of lives here and are prepared to sacrifice more but Russia will truly suffer when these traitors take up political positions."

The report continues with shots of Russian conscripts, and includes brief interviews with some conscripts on their lives in Chechen.

The report then shows a Chechen-held town, just a few miles from Groznyy where Chechen rebels are holding Russian POW'S, and are allowing their mothers to look after them.

The report continues with shots of a Chechen rebel meeting at the town of Shali, showing Aslan Maskhadov, General commander of the Chechen rebels. Maskhadov then speaks to the correspondent: "We don't care if they try to hold their elections, we spit on these elections, they mean nothing to us. These elections will not be held. Do the Russians believe I will ever obey their leaders."

The report concludes with further shots of a demonstration against Russia.

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### Yakovlev Doubts Freedom of Views in Election

*LD0512210895 Moscow NTV in Russian 1600 GMT 5 Dec 95*

[Report over video by "Today" program correspondent Andrey Cherkasov]

[FBIS Translated Text] Aleksandr Yakovlev, the Russian president's representative to the Federal Assembly, made an unusual statement today at a news conference held at the RIA-Novosti news agency. Speaking mainly about the problems of the row between the State Duma and Federation Council on the formation of the upper chamber of parliament, the president's representative also spoke about the upcoming elections on the territory of the Chechen Republic.

He said that he doubts the Chechen voters will have a real opportunity to express their views freely. The lack of objectve conditions for such a campaign brings into question the political expediency of the elections themselves. Yakovlev thinks that the election for head of the unruly republic should be considered within the framework of Russia's special relations with Chechnya, which should be established in the near future. These relations have not yet been officially established. In addition, the status of the republic has not yet been defined. The negotiations broken off in early fall have not been renewed. The elections will take place against a background of constant exchanges of fire and explosions.

It is interesting that today's statement by Aleksandr Yakovlev is the first to contradict everything said earlier by the governing powers. It came from the mouth of someone in the president's team.

### Kovalev, Khadzhiyev: Postpone Elections

*LD0612105995 Moscow Russian Television Network in Russian 0500 GMT 6 Dec 95*

[From the "Vesti" newscast]

[FBIS Translated Text] Sergey Kovalev, a well-known human rights activist and a State Duma deputy, intends to ask the Russian Supreme Court to cancel the elections for the head of the Chechen Republic, which are scheduled to be held on 17 December. He told INTERFAX that the holding of the elections in Chechnya under present conditions will only fan the partisan war there. Moreover, Kovalev believes it is illegal to hold elections in a region where a state of emergency is actually in force.

Academician Salambek Khadzhiyev, the former chairman of the National Rebirth Government, also believes that the Chechen elections are premature. He has appealed to the republican population, all political forces, and armed irregulars to postpone the Chechen elections until civic accord is reached. The elections will not strengthen the Chechen authorities. They will only split the Chechen people into groups, Khadzhiyev said.

### Officers To Set Up Polling Stations

*MK0512145395 Moscow NEZAVISIMAYA GAZETA in Russian 5 Dec 95 p 3*

[Unattributed report: "Chechnya"]

[FBIS Translated Text] Yesterday, senior officers of the 76th Volgograd Independent Railroad Corps took a plane from Volgograd to the Cossack village of Chervlenaya in Chechnya. They have been tasked with setting up a polling station in the village for the upcoming elections. The local authorities categorically refuse to conduct preparations for the elections and to organize polling stations in their rayon.

### Maskhadov Not To Impede Army Conscription

*LD0512211495 Moscow Russian Television Network in Russian 2000 GMT 5 Dec 95*

[From the "Vesti" newscast]

[FBIS Translated Text] The "ARGUMENTY I FAKTY" information agency reports that conscription to the army has started in Chechnya. The conscripts will serve only on the territory of Chechnya. Military construction detachments will be formed from 8,000 recruits. A bank account will be opened for each serviceman to transfer his wages. For the time being there is no question of the conscripts giving the military oath of allegiance to the Russian Federation.

According to the agency's information, Maskhadov's headquarters decided not to impede the conscription as it believes that the creation of a Chechen army on Russian money is expedient.

### Russian Guards Said to be Alive

*LD0512204095 Moscow INTERFAX in English 1925 GMT 5 Dec 95*

[FBIS Transcribed Text] STAVROPOL, Dec 5 (INTERFAX) — According to the latest information, all the eight Russian border guards held by Chechen separatists loyal to Dzhokar Dudayev are alive and in good health, Caucasus Special Border District Commander Col. Gen. Viktor Zemtsov told INTERFAX Tuesday.

Five border guards, including an army doctor and four soldiers, were taken prisoner by Dudayev militants on August 24 in the Botlikhsky district of Russia's Dagestan republic, on the Chechen border. Three more border guards were seized in Dagestan several days

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later. According to the information available to the border troops, they are held in decent conditions in several uphill villages in southern Chechnya. Zemtsov said that militants sometimes make the army doctor perform his professional duties.

"We hope for their release but we are not applying any pressure, fearing for the safety" of the border guards, said Zemtsov. "Talks are continuing," he said.

**U.S. Envoy Visits Sakhalin; Revival of Work Unrelated**

*LD0612113295 Moscow ITAR-TASS World Service in Russian 0500 GMT 6 Dec 95*

[By ITAR-TASS correspondent Yevgeniy Belovetskiy]

[FBIS Translated Text] Yuzhno-Sakhalinsk, 6 Dec (ITAR-TASS) — One of the main aims of a three-day visit to Sakhalin island being made by U.S. Ambassador to Russia Thomas Pickering is familiarization with the difficulties of exploiting gas and oil deposits off the northeastern coast. Today Pickering plans to visit sections of the shelf in the north of the island, where the Sakhalin-2 project is planned, and also Korsakov port, outside which an oil terminal is to be built.

At a meeting with the governor of Sakhalin region yesterday, the U.S. ambassador discussed the difficulties of assimilating the Sakhalin shelf with the involvement of U.S. companies and the creation of joint enterprises to purchase and process timber, fisheries, and production of seafood.

Local observers are not inclined to link the U.S. ambassador's trip with any imminent revival of work on the Sakhalin shelf. The stumbling block in the implementation of the Sakhalin-1 and Sakhalin-2 projects for the exploitation of prospected, promising oil and gas fields on the island shelf, at the moment, is the failure of the Russian parliament to pass a law on division of the output. Without legal guarantees, foreign investors are not in any hurry to invest their capital in exploiting the nature resources of Russia's biggest island and are not visibly commercially active. At the least, local maritime geophysicists and drillers have empty order books for the coming season on the northeastern coast of Sakhalin.

**Demarcation of Border With Baltic States Completed**

*LD0412202595 Moscow INTERFAX in English 1904 GMT 4 Dec 95*

[FBIS Transcribed Text] PSKOV, Dec 4 (INTERFAX) — Russian customs have accomplished the demarcation of the border with the Baltic states, State Customs Committee Chairman Anatoliy Kruglov said at the opening of the road checkpoint Shumilkino in the Pskov region Monday.

The Baltic border is "a kind of a test site to prove solutions to the whole complex of border issues and outline the state border policy," Kruglov said. "Over $60 million and some 20 billion rubles were set aside for the demarcation of Russia's borders with Lithuania, Latvia and Estonia," he added.

Shumilkino is the last of eight checkpoints on the Baltic border equipped with modern radioactive control and express analysis devices, Kruglov said.

The checkpoint has prevented 22 violations of customs regulations over a month of experimental operation, said Kruglov. At the same time, he emphasized that traffic control should be "differentiated," and he categorically rejected the need for "total search of all economic agents." He added that "blacklisted forwarders should be searched first."

The opening of the Shumilkino checkpoint marks the end of establishment of Russia's customs service and its integration in the national economy, Kruglov remarked.

According to Kruglov, "the State Customs Committee has acquired all attributes of an independent federal service and is one of the few economically efficient state organizations." The customs service has brought some 60 trillion rubles to the federal budget over four years of existence, while only 2 trillion rubles have been set aside for its development, he added.

Kruglov left for St. Petersburg later Monday afternoon, where he met with Mayor Anatoliy Sobchak and held a conference in Russia's third largest Northwest Customs Department.

**Chukotka Hopes To Live Off Bioresources, Drafts Edict**

*MK0612065395 Moscow NEZAVISIMAYA GAZETA in Russian 5 Dec 95 p 2*

[Report by Dmitriy Maslennikov: "Financing at the Expense of Bioresources"]

[FBIS Translated Text] The local administration is hoping to address the problem of rebuilding ethnic villages in the Chukotskiy Autonomous Okrug through extrabudgetary financing schemes. Chukotka Governor Aleksandr Nazarov told your NEZAVISIMAYA GAZETA correspondent that use will be made of an unusual extrabudgetary financing scheme using bioresources. "We, a territory washed by three seas, simply must live off

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these resources," the governor said. A Russian Federation presidential edict has already been drafted, assigning Chukotka a quota for catching 100,000 tonnes of fish. However, according to Mr. Nazarov, his plans are meeting with opposition from some officials who believe that only budgetary financing is feasible. Commenting on this, the governor noted: "The civil servant today must understand one thing: He must work for the state, not the other way around." Nonetheless, the Chukotka administration hopes to rebuild the ethnic settlements with proceeds from the sale of fish, especially considering that the situation is rather critical. Many of the villages have not been modernized since the fifties.

**Kaliningrad's Matochkin on Cooperation With Poland**

*WS0512144795 Kaliningrad KALININGRADSKAYA PRAVDA in Russian 18 Nov 95 p 3*

[Article by Kaliningrad Oblast Administration Head Yu. Matochkin: "Joint Work Is Under Way"]

[FBIS Translated Text] In my opinion, relations between Kaliningrad Oblast and our Polish neighbor are developing progressively and in quite a dynamic way. The example of trade and economic cooperation is particular proof of that. Poland is our principal trading partner. Our turnover with the Polish side constitutes over 20 percent of the total volume of the import of commodities shipped in accordance with enterprises' direct production ties and contacts. Poland comes first with regard to the number of Kaliningrad Oblast enterprises established jointly with foreign investors. Over 360 enterprises were established with the participation of Polish investors, which constitutes approximately 35 percent of the total number of registered enterprises established with the participation of foreigners. Our primary goal for the immediate future is to shift the economic cooperation's center of gravity to establishing enterprises oriented toward manufacturing commodities primarily for Russia, but also for export, on the oblast's territory.

Recently, contacts between Polish voivodships and Kaliningrad Oblast have definitely been activated. Kaliningrad Oblast's Days of Culture in the neighboring Polish voivodships, as well as Days of Polish Culture in Kaliningrad Oblast have been celebrated on a regular basis.

The development of border infrastructure has led to the situation in which the common border, which is crossed by more people and commodities every year, has become more lively. Thanks to mutual efforts, much work is being conducted to create new and modernize existing border checkpoints. Both sides have invested millions of dollars in this project, thus establishing the necessary conditions for developing full-fledged cooperation in various areas.

The Kaliningrad Oblast Administration, jointly with the Polish side, pays a lot of attention to the development of transport communication between our countries. At the moment, we have a regular bus connection with nine Polish cities; the Kaliningrad-Gdynia international passenger train connection, as well as the Kaliningrad-Elblag ship link. An agreement has been reached on launching regular flights between Kaliningrad and Warsaw in 1996.

All this became possible due to the implemention of the agreement on cooperation between Kaliningrad Oblast and north-eastern Polish voivodships, reached in Moscow on 22 May 1992.

The two sides' interest in mutually profitable cooperation and the creation of the appropriate legal basis at the intergovernmental and interregional levels were supplemented by an efficient mechanism for implementing the agreements reached. At the beginning, it was a Russian-Polish "round table" which enabled us to discuss the most important issues regarding the comprehensive development of ties in border areas. Later, it was replaced by the intergovernmental body — the Russian-Polish Council for Cooperation Between Kaliningrad Oblast and Polish Regions.

The fact of reaching agreements on cooperation between Kaliningrad Oblast and Polish voivodships seems to be a significant step in the process of establishing ties. Up to now, five agreements of this kind have been signed. Economic and cultural ties with Olsztyn, Elblag Suwalki, and Gdansk Voivodships are developing in a particularly successful manner.

However, at the same time, the agreements are not being fully implemented. The work on reconstructing the Kaliningrad-Elblag highway and organizing regular flights between Kaliningrad and Polish cities is slow. Technical-economic, financial, and environmental aspects connected with the drafting of the intergovernmental agreement on navigation in the Kaliningrad Bay need profound scrutinizing.

It is worth pointing out that cooperation with our Polish partners is being conducted in close coordination with the Russian Federation Ministry of Foreign Affairs, the Russian Embassy in Warsaw, and the Russian General Consulates in Gdansk, Poznan, and Szczecin. The embassy and the consulate in Gdansk render particularly appreciable and significant assistance. KALININGRADSKAYA PRAVDA always plays a significant and very important role in strengthening Russian-Polish cooperation, as well as in informing local residents and

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business circles. I would like to wish the newspaper further successes in this area.

### Karachay-Cherkess Republic Will Have No President

*LD0512132895 Moscow Mayak Radio Network in Russian 1200 GMT 5 Dec 95*

[FBIS Translated Text] There will be no post of president in the multinational Karachay-Cherkess Republic. The country will be governed by the head of the republic, publicly elected for four years, the National Assembly consisting of 73 deputies, the republican government, and the courts. Such are the clauses of the republic's draft constitution which has been published in the local press. It has been adopted in its first reading at a session of the present National Assembly.

The draft stipulates that the territory of the Karachay-Cherkess Republic is an integral part of the Russian Federation. The borders of the republic cannot be altered without the agreement of its people.

The National Assembly of the Karachay-Cherkess Republic will examine the draft constitution in its second reading after analysing the proposals, remarks, and amplifications.

## Economic Issues

### Yeltsin Decree Sets Up Federal Energy Commission

*LD0512145695 Moscow ITAR-TASS in English 1412 GMT 5 Dec 95*

[FBIS Transcribed Text] MOSCOW, December 5 (ITAR-TASS) — Russian President Boris Yeltsin issued a decree on Tuesday to set up the federal energy commission.

The text of the decree was received by ITAR-TASS from the presidential administration today.

The decree was signed on the basis of the federal laws "On State Regulation of Tariffs on Electrical and Thermal Energy in the Russian Federation" and "On Natural Monopolies." Under the decree, the commission is a federal body of the executive power to regulate natural monopolies in three spheres — transportation of oil and oil products by main pipelines, pumping gas by pipelines and rendering services for movement of electrical and thermal energy.

The Russian government is instructed to approve decisions concerning activities of the commission, envisaging its creation within the limits of the overall number of staff of federal bodies of the executive power and funds of the federal budget, allocated for their maintenance.

### Economics Minister on Draft Budget Second Reading

*MM0612111295 Moscow ROSSIYSKAYA GAZETA in Russian 6 Dec 95 p 1*

[Report by Igor Duel: "Second Reading of Russia's State Budget Scheduled by Duma for Today: 'Knockdown Blow to Investments'"]

[FBIS Translated Text] During the first reading of the budget the differences between the government and parliamentarians in their evaluation of a number of articles were very considerable. And there is no knowing how this would have ended up had First Vice Premier Chubays not made a last-minute concession to the Agrarian deputies, agreeing to increase expenditure on the agro-industrial complex by 1.5 trillion rubles [R].

The government budget scenario underwent very substantial modifications during that session. The expenditure side of the budget was to be increased, by Duma decision, by R13.8 trillion and the revenue side of it by R7.5 trillion. That is to say, the redistribution of sizable sums of money — R21.3 trillion — was required.

Speaking to journalists in this regard, [Economics Minister] Yevgeniy Yasin stated that the government had had to make a choice at the time between defending every paragraph of its draft or making serious concessions to the Duma in order to get a fully approved budget before the start of next year

They opted for the latter course, because, as Yasin pointed out, this means that parliament as a whole acknowledges the correctness of the government's economic policy and the policy itself becomes the common offspring of the two branches of power.

The revenue side of the budget submitted for second reading comes to R360 trillion, the expenditure side R435.75 trillion. Moreover, the factor of inflation will no longer help cover the budget deficit. The economics minister described the November inflation level of 4.5 percent (which is lower than the projected figure) as a signal victory for the government's anti-inflationary policy, which he does not intend to relax in the future either. That only leaves foreign and domestic borrowing [to make good the deficit].

As demanded by the State Duma, the new version of the budget now includes the following additional expenditure: R3.5 trillion on defense; R1.38 trillion on healthcare agencies; R500 billion on science; and R7.2 trillion on construction and architecture.

Describing the new version of the budget, Yevgeniy Yasin said that the changes in it are "geared toward increasing social expenditure."

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This could only gladden the heart if there were no problem of investments. Planned investment is manifestly inadequate, particularly as this year's investment program has only been fulfilled by 50 percent. And the Ministry of Economics' brainchild — the highly effective projects which won the special open competition organized by the ministry during the year — have received not a penny from the budget to date, although the Finance Ministry does acknowledge its debt and promises to pay up in December.

According to Yasin, state investment today is being run "according to the residual principle."

### Outlines Next Year's State Budget

*MM0512153395 Moscow TRUD in Russian 5 Dec 95 p 1*

[Report by Anatoliy Velednitskiy: "Budget-96 in December"]

[FBIS Translated Text] It has been the case in Russia since the times of the Romanovs that the current year's budget is approved...six months after the beginning of the year. This has also been the system over the last few years. But now something incredible seems to have happened. Russia's draft budget for 1996 has been prepared and coordinated for the first time a month before the beginning of the year. With favorable circumstances it could be adopted within the next few days. This was announced at a press conference in Moscow given by Economy Minister Yevgeniy Yasin.

In line with the consensus reached between the executive and legislative branches of power, the minister said, it has been decided to continue the tough financial policy and not use inflationary Central Bank credit. Or rather, use it on a limited scale. The parliament approved on the first reading revenue of 347 trillion rubles [R] and expenditure of R434 trillion. The deficit of R66 trillion envisaged by the government has been increased at the legislature's request to R88.5 trillion. If 88.5 trillion is divided by 347 trillion we get an inflation figure of about 20 percent per year or just under 2 percent per month — something that we could only dream of until recently.

If that happens, our worthless rubles will cease to be worthless. According to the budget, expenditure on culture, education, and housing construction will be increased within the framework of an investment program for which R27.7 trillion is being allocated. Some investment will be used to revive the Russian merchant fleet and for the program known as the "People's Telephone" program (there will be a telephone in every village). And R1.5 trillion will be used to develop subways, including R900 billion for the Moscow subway. Expenditure to eliminate the aftermath of the emergency situation in the Chechen Republic will be cut by R1.5 trillion,

As Chubays suggested, this R1.5 trillion will be allocated to agriculture. Including R700 billion for mineral fertilizer procurements from Russian plants, which are exporting these products today in order to make up for the losses due to the "stabilization" of the dollar exchange rate and the impossibility of selling their output on the domestic market. Today 7 million out of 9 million tonnes of fertilizer are exported.

However, Yasin said, the currency band has played a positive role in suppressing inflationary expectations and stabilizing the financial market. As a result inflation in November stood at just 4.5 percent.

When asked by your TRUD correspondent why inflation is coming down but prices are still rising, the minister explained that financial stabilization includes many indicators, and falling inflation does not mean an immediate drop in prices. The money market reacts fastest to a fall in inflation, while prices react more slowly for many reasons. But the minister believes that the situation on the money market is not important for the population. At any rate for that section of the population which does not have dollars.

### 'Doubts' Reported on Government Economic 'Adjustments'

*MM0612090895 Moscow FINANSOVYYE IZVESTIYA in Russian 5 Dec 95 p 1*

[Report by Yevgeniy Vasilchuk: "Government Announces Successes But Reliability of Figures Open to Doubt" — received via Internet]

[FBIS Translated Text] There was animated activity in Russian economic policy last week. The generators of economic ideas in the apparatuses of the president, the government, and the Bank of Russia had become bored with the depressing uniformity of the rhetoric about stabilization. A number of cosmetic adjustments have been made which attest that the authorities are still keeping their finger on the country's economic pulse.

The parameters of the currency band have been raised, the Central Bank refinancing rate has been cut, and at the start of 1996 some export duties will be abolished while others will be significantly reduced. The government has confirmed its determination to eliminate various concessions. The Finance Ministry has assured the public that tax and budget affairs are in a satisfactory state. Despite the change in the Central Bank's leadership, the draft guidelines of credit and monetary policy proposed by the Bank for 1996 are virtually unchanged

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compared with the document elaborated back in Tatyana Paramonova's day.

The impression is being created that there are no problems left in the Russian economy and its regulation by the state. The synchronization of actions is itself food for thought. However, there are still great doubts about the essence of the adjustments proposed. As for whether they are well-timed, that is also a difficult question to answer. Apart from the measure to allow [razresheniye] sectors which are natural monopolists to peg the rise in prices for their output to the general inflation level the remaining changes will hardly lead to any significant positive results.

The insignificant raising of the currency band limits is incomprehensible. Especially since some time ago the government gave an assurance that they were sacrosanct. Nor will such changes save exporters and processing industry. The question of creating a mechanism for the formation of an economically validated, market-led ruble exchange rate remains open. Viewed in terms of the main goals — suppressing inflationary expectations and speculation and panic in the currency exchange market — the currency band has outlived its usefulness. If the government has confidence in the policy of financial stabilization, the rate can be fixed with subsequent regular reviews. But if doubts have emerged regarding its expediency and prospects no band will help overcome them.

The world theory and practice of regulating exchange rates has still not produced a clear answer to the question of which system is best — fixed or floating exchange rates. At the moment only one thing can be asserted with 100-percent certainty: All attempts by individual states or groups of countries to achieve exchange rate stability are doomed to fail unless the effective functioning of the national economies and the coordination of macroeconomics and trade policy is ensured first.

The Bank of Russia's signals about the intention to ease or tighten credit and monetary policy suffered from the usual bureaucratic delay of around one to two months. The symptoms of an imminent wholesale increase in demand constraints and of a sales crisis were evident in the economy in early fall 1995. Even though the figure for such vital parameters as speed of money circulation remains unclear, the Finance Ministry's announcement of the prompt implementation of the budget should have given the Central Bank scope for a more significant easing of monetary policy. The bank's caution attests to its distrust both of the budget implementation statistics and the official inflation figures.

## 'Return to Common Sense' Welcomed in Monetary Policy

*MM0512155595 Moscow FINANSOVYYE IZVESTIYA in Russian 5 Dec 95 p 1*

[Report by Ivan Zhagel: "Russia Is Switching from the Method of Crude Pressure on the Ruble Exchange Rate to More Sophisticated Methods of Currency Regulation" — received via Internet]

[FBIS Translated Text] The initial reaction to the package of measures recently implemented by the government and the Central Bank in the sphere of currency regulation may be viewed as quite positive. As for the bankers I have questioned in the past two or three days, their general viewpoint was expressed best, I believe, by Boris Sergeyev, director of the Tokobank economic analysis department.

"We are now observing a return to common sense," he noted. "This is also being demonstrated by the fact that our authorities are switching from support for a weaker dollar to support for exporters."

I would recall here that the package of measures unveiled by the government and the Central Bank in the currency regulation sphere consisted of three major segments. First, the currency band has been extended for a further six months, that is, until 1 July next year, and its parameters will be as follows: the floor is set at 4,550 rubles [R] to the U.S. dollar, the ceiling at R5,150. Second, as of 1 December the Central Bank's refinancing rate was reduced from 170 to 160 percent. Third and last, the president has issued an edict abolishing export duties on petroleum products and timber industry output as of 1 December and on the vast majority of export commodities from the beginning of next year.

The extension of the currency band is undoubtedly a positive fact. It gives Russian enterprises, particularly those engaged in foreign economic activity, an opportunity to plan their work and take a more confident view of the future because their currency risks are reduced. The only problem is that with a stable rate of exchange domestic prices have continued to rise, and this has placed exporters in a difficult position. It is no coincidence that the possibility of reducing the ruble exchange rate in keeping with inflation has been discussed so actively of late.

But this idea has in fact meant that it was necessary to prop up the weaker dollar, whose rate of exchange was already tending to decline in the Russian currency market. It is a good thing that the government has found another way of supporting exporters — it has cut export duties — although at first glance this will reduce

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budget revenue. However, world experience shows that the easing of the tax burden on export-led sectors leads to their prosperity and to an increase in state revenue. Thus the banker's comment on a return to common sense cited above is entirely appropriate here.

Other measures in support of exporters have also been envisaged. They include various types of insurance, among them the issue of state guarantees. But even that is not all. As First Vice Premier Anatoliy Chubays has stated, in the new year a ceiling has been set on price rises for the natural monopolies — this figure will not exceed the average monthly inflation figure. In other words, an attempt has been made to stabilize the profitability of exporters' work by restricting the prime cost of the raw materials, electricity, and transport services that they use.

Finally, the reduction in the Central Bank refinancing rate is designed to encourage investment activeness, notably in export-led sectors. Of course, the size of the rate change might seem slight just as the other measures undertaken might seem insufficiently resolute when viewed individually. But taken as a package they will encourage economic development.

"The decisions are comprehensive in character, which is where their strength lies," presidential aide Aleksandr Livshits said in an interview for our newspaper. "That is what is innovative about the present approaches to the definition of currency regulation policy."

In any event it is obvious that what we are seeing now is the beginning of a move from the crude method of influencing the currency exchange rate as virtually the only means of macroeconomics regulation to more sophisticated measures of influencing the whole Russian economy.

**Elections Influence December Economic Forecast**

*MM0612100995 Moscow TRUD in Russian 5 Dec 95 p 2*

["Forecast" prepared by Center for Strategic Analysis and Forecasting led by Professor Dmitriy Olshanskiy: "Winter. Sugar and Tea Prices Rising. (What Lies in Store in December)"]

[FBIS Translated Text] In politics most of the events anticipated in December are predictable since they are the product of a political schedule worked out far in advance. The main thing being the preparations for the 17 December elections. Virtually all politicians will be involved in the campaign. At the same time government officials, who are naturally unaware of the composition of the future State Duma, are displaying a desire to get as many acts of legislation, primarily economic acts, through the current parliament in the time remaining until the election.

The development of economic processes will also be influenced by political events. In these conditions the government will take action to lend its policy a more socially-oriented character. New decisions will most likely be adopted that affect the interests of specific social groups. The increase in this orientation will lay the foundation in December for the formation of a new system of state capitalism.

The situation on the financial markets in the first half of December will remain stable. Inflation will fluctuate between 1.5- 1.7 percent per week. At the same time it is tending to rise, a trend that will intensify in mid-December and last through next January, reaching 2.3-2.5 percent.

The now obvious failure of the plans to obtain around 8 trillion rubles [R] to pay off the budget deficit from monetary privatization along with the collapse of the hopes of enlisting foreign investment will be another fairly unpleasant factor. Investors have already begun leaving the stock markets and will hardly return before early summer.

Inflation, which is once again gaining momentum, comes on top of a structural crisis in the production sector of the economy. This notwithstanding, relative growth in production will nonetheless continue in certain sectors, the chemical and petrochemical industries, for instance, and ferrous metallurgy. But it is in these sectors that the sales problem will worsen. And some enterprises (particularly metallurgical enterprises) may have to stop work.

A serious slump in production will be recorded in sectors like the timber and food industries (7-8 and 5-6 percent respectively).

The acute problem of nonpayments will persist in the production sector. Even if the state pays the debts, the idea of a cartel agreement on price and tariff checks between metallurgical workers, miners, gas-industry workers, oil men, transport personnel, and power industry workers will remain. The cartel may also be joined by the State Tax Service.

Nonpayments affect ordinary citizens. Overall wage arrears have reached R10 trillion. The government, mindful of the upcoming elections, will probably begin paying its debts. But here too there are still problems due to enterprises' mutual indebtedness. This situation is being exploited by some social activists — they are trying to organize mass protests (pickets, strikes, rallies, etc.). But they will hardly have an effect.

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On the consumer market an increase in demand primarily for food is expected. The rise in food prices is expected to average 5-8 percent. Prices of certain commodity groups will rise more than normal — prices of sugar, butter, tea, coffee, milk, dairy produce, bread and bakery products. The forecast estimates indicate that this month the practice of selling goods under the same name but of lower quality will become increasingly widespread, enabling certain trading organizations to preserve the level of prices and thus guarantee sales.

One can also expect an extensive supply of stale goods under a new name but of poorer quality in politics. Therefore we voters and "customers" must be particularly attentive when making our choice....

**Band Decision Has Little Impact on Currency Market**

*MM0612091495 Moscow FINANSOVYYE IZVESTIYA in Russian 5 Dec 95 p 1*

[Article by Igor Doronin, Moscow Interbank Currency Exchange adviser on market conditions: "Currency Roundup" — received via Internet]

[FBIS Translated Text] Last week the currency market was dominated by the expectation of a decision on the currency band. This largely predetermined the comparatively low activeness of the market, which was reflected in a fairly insignificant rise in the rate of the dollar — 0.2 percent — and by the comparatively small volume of currency sales. Furthermore, as the day of the announcement of the currency band decision drew nearer the volume of dealings in the market clearly tended to decline.

The characteristic feature of last week was that demand exceeded supply. Despite the fact that demand for foreign currency exceeded supply by a factor of two to three, particularly at the start of the week, the rise in the dollar exchange rate was extremely moderate. The slight impact of the gap between demand and supply on the exchange rate is due to the relatively small volume of operations, which enabled the participants in auctions to bridge that gap without difficulty.

The currency market reacted to the decision to introduce a currency band of 4,550-5,150 rubles to the dollar in the first half of 1996 by a slight fall in the dollar exchange rate and a significant fall in the volume of currency sales. It seems that after the new band limits were announced interest in currency market dealings fell.

The reaction of currency market players to currency dealings was shown most clearly toward the German mark. The mark exchange rate fell by 3 percent over the week. Furthermore, supply clearly exceeded demand by the end of the week.

If the market's initial reaction to the announcement of the new currency band limits is anything to go by we need not expect any significant revival of interest in currency dealings among market players.

**Privatized Enterprises Found Outperforming State Firms**

*MM0612114995 Moscow IZVESTIYA in Russian 5 Dec 95 p 1*

[Report by Dmitriy Dokuchayev: "Privatized Enterprises Working Better Than State Enterprises"]

[FBIS Translated Text] This trend has been discovered by large-scale economic research carried out by specialists of the Russian Marketing Association and the International Leontyev Center.

Around 300 state and privatized enterprises and eight sectors of industry, construction, and trade in 13 Russian regions were examined. Thus, the sample was sufficiently representative.

Although the privatization of enterprises has long been a fact of life the controversy over it has still not subsided: Is it really necessary and if so, according to what kind of schemes should it be carried out? Objective answers to these questions are impossible unless there are economic criteria for comparing the results of privatized and nonprivatized enterprises' activity. In order to establish such criteria the researchers divided the 300 selected enterprises into three groups of enterprises: state, medium-privatized (with a state share of over 25 percent), and heavily privatized (with a state share of less than 25 percent). After which they were compared with each other taking account of sector and regional peculiarities and the scale of production according to 12 main technical and economic indicators. It transpired that privatized enterprises are outperforming their state counterparts in practically all areas. Moreover, the greater the degree of privatization the better the indicators. Thus, in heavily privatized enterprises capital turnover is 59 percent higher and profitability is 10 percent higher than in state enterprises. While the decline in the volume of production was 12 percent compared with last year in state enterprises, there was on the contrary a 2.3- percent increase in heavily privatized enterprises. The picture is similar for average wages (taking inflation into account): In state enterprises they fell 6.6 percent and in heavily privatized enterprises they went up 9.8 percent. The indicator for updating products was 0 percent in state enterprises and 3.9 percent in heavily privatized enterprises, etc.

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Why exactly, against the rather depressing background of our economy, do heavily privatized enterprises look the healthiest? The answer to this question is provided by the social part of the research, in which enterprise leaders answered a detailed questionnaire. According to Russian Marketing Association President Aleksandr Braverman, a key aspect is the change in the mentality of people, who feel like proprietors as a result of the change in the structure of ownership. Adaptation to market conditions takes place first of all in the minds of workers and is then is transformed into production decisions. This is expressed in the desire to work toward the long term, in the readiness to share power with serious investors, and in the desire to renew production.

Obviously, the results obtained from the research, which graphically demonstrate the advantages of privatized enterprises, should not be absolutized. The scientists themselves stress that privatization is not a panacea but the main route along which the whole economy must progress carefully and without hurrying.

No sooner had the Russian privatization monitoring data been published when people hastened to accuse its authors of being close to government circles, which undoubtedly benefit from the results of the research since it confirms the correctness of the privatization policy. But Braverman categorically denies having any political bias whatever, noting the exclusively scientific nature of the work. In order to avoid being criticized for tendentiousness he is inviting experts in various fields such as State Duma Deputies Grigoriy Temchin, who has a reputation as a fervent supporter of privatization, and Sergey Glazyev, who is an implacable critic of the government, to cooperate.

Henceforth the monitoring of privatization in Russia will. be carried out quarterly, encompassing an increasing number of enterprises, sectors, and regions. Whether or not people like the results of this research, it is important that as a result society will have another indicator which will make it possible to evaluate the complex privatization processes in the country.

### Ministry Readies Program To Support Exporters

*MK0612065695 Moscow NEZAVISIMAYA GAZETA in Russian 5 Dec 95 p 4*

[Unattributed report: "The Federal Export Support Program"]

[FBIS Translated Text] The Russian Federation Ministry of Foreign Economic Relations (MVES) is completing a large-scale federal program to support domestic exports, said Gennadiy Shorokhov, deputy chief of the MVES's Department for the Regulation of Foreign Economic Activity. The document will be ready before 15 December. According to Gennadiy Shorokhov, "the program embraces a comprehensive system to stimulate the export of finished goods, primarily science-intensive and technical products." He mentioned preferential crediting and export project insurance among the incentives. According to the MVES official, "the implementation of the federal program, based exclusively on economic principles, will finally put an end to the era of the administrative regulation of export activity."

### Auction of 'YuKOS' Shares Delayed Until Early 1996

*MK0512150495 Moscow SEGODNYA in Russian 5 Dec 95 p 7*

[ANI report: "RFFI Moves Back Date of Cash Auction of 'YuKOS' Shares, Supposedly to First Quarter of 1996"]

[FBIS Translated Text] The Russian Federal Property Fund [RFFI] has postponed, supposedly until the first quarter of 1996, the all-Russia specialized cash auction of 7.96 percent of the shares of the "YuKOS" oil company. A "YuKOS" spokesman said the decision was made at the request of the company leaders. According to the source, company leaders are worried that the timing of the cash auction coincides with the surety auction and investment tender (8 December) involving 78 percent of "YuKOS" shares all told. The company believes that, viewed against this backdrop, the small package put up for cash auction is bound to be undervalued. In line with the "YuKOS" privatization plan, 45 percent of the company's shares shall be owned by the state for three years. There will be an investment tender on 8 December involving 33 percent of the shares in conjunction with a surety auction involving state-held shares. Eight percent of the remaining 22 percent is to be sold at a specialized cash auction in 1996, with 14 percent to be distributed among the leaders and employees of the enterprise. The closing date for participation requests is 5 December. Up to now, those having applied for participation in the surety auction and the investment tender are the "Menatep" bank and the consortium of Russian banks formed by Inkombank, Alfa-Bank, and the "Rossiyskiy Kredit" bank.

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## International Affairs

### Kuchma Pleased With 'Successful' Talks in China

*LD0512190095 Kiev Radio Ukraine World Service in Ukrainian 1700 GMT 5 Dec 95*

[FBIS Translated Text] Beijing, 5 December. The atmosphere at the Ukrainian-Chinese talks and the range of issues discussed have provided enough evidence to believe they were very successful, Ukrainian President Leonid Kuchma told a news conference. Asked whether Ukraine will use Chinese experience in its economic reform, Kuchma said it should have done that a long time ago, instead of learning from its own mistakes. Still, there is a great deal to be borrowed from the People's Republic of China, Kuchma said. First of all, it is the progress from small to big achievements, the establishment of special economic trade zones, private initiative in agriculture, and so on. With every passing day, the state interferes less and less into the economy, but without completely letting go of the reins. Such evolution is the right way to go, the Ukrainian president said.

According to Kuchma, the most important document giving the green light to economic and political cooperation between the two countries is the declaration on the development of friendship and cooperation between Ukraine and China, signed during the visit. The Ukrainian president also praised other agreements that were reached. With regard to international problems discussed with Chinese leaders, the president said the talks had covered virtually everything. Ukraine maintains an unchanging position on Taiwan, regarding it as an inseparable part of China, Kuchma stressed. This is the starting point in our policy toward China, he said. For its part, the Chinese side expressed its respect for Ukraine's territorial integrity.

President Kuchma briefed journalists on priorities in the trade, economic, and scientific relations between the two countries. There is wide room for mutually beneficial cooperation in the study and peaceful use of outer space, Kuchma said, in reply to a question from UKRINFORM. But we do not disassociate ourselves from Russia in this field, and discuss every plan together, he added.

Relations with Russia attracted much attention at the news conference. By agreement with Russian President Boris Yeltsin, Ukraine brought its talks with Russia to the level of governments, with a recent meeting between prime ministers and talks involving 18 Ukrainian and Russian ministers, including the ministers of defense who held successful negotiations in Sochi. According to Kuchma, his summit with President Yeltsin will definitely take place before the end of the year.

Speaking on Ukraine's involvement in the CIS Interparliamentary Assembly, the Ukrainian president said he believed that his country's voice should be heard at the assembly. As long as it remains interparliamentary, rather than parliamentary, he added.

### Deputy PM Discusses Aid, Privatization With U.S. Envoy

*WS0612100895 Kiev INTELNEWS in English 0032 GMT 6 Dec 95*

[By Oleksandr Pukhov, "Special to INTELNEWS"]

[FBIS Transcribed Text] Kiev, Dec. 5 — The United States will be forced to reduce aid to Ukraine if the privatization process slows down, according to Richard Morningstar, President Bill Clinton's envoy for assistance to the newly independent states.

Morningstar met with First Deputy Prime Minister Pavlo Lazarenko Tuesday and told him that the aid to be cut would be in specific categories earmarked for privatization assistance.

Morningstar also said Ukraine must take immediate measures to improve its tax climate. He called upon the country to abolish its value-added tax on imported goods.

Lazarenko said that President Leonid Kuchma ordered "a change of accent in small-scale privatization issues."

According to Lazarenko, starting next year small-scale privatization will be conducted primarily through auctions. He said this was being done because more than 80 percent of the small-scale enterprises privatized to date didn't change true ownership due to current regulations allowing members of collectives to have first right to take over privatized businesses.

"There is certain confidence that small-scale privatization will be generally completed by the first half of next year," said Lazarenko.

However, Lazarenko admitted that results from this year's privatization effort have been disappointing, noting that receipts from the program for the first 10 months of the year constituted only 5 percent of that projected for the year. He acknowledged that this was a major factor in the shortfall of budget revenue for the period, which equaled only 62.6 percent of projections.

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**Kuchma on Military Cooperation With CIS, Russia**

*LD0512223695 Moscow ITAR-TASS World Service in Russian 1457 GMT 5 Dec 95*

[By ITAR-TASS correspondents Marat Abulkhatin and Grigoriy Arslanov]

[FBIS Translated Text] Beijing, 5 Dec — Ukraine is not giving up its bilateral cooperation in the military-political sphere with the countries of the CIS and primarily with Russia. This was stated by Ukrainian President Leonid Kuchma who is on an official visit here.

Replying to a question from the ITAR-TASS correspondents, the Ukrainian president pointed out the importance "of this issue's being understood by the military of both sides."

Ukraine's participation in the NATO Partnership for Peace program is an inalienable part of Kiev's as well as Moscow's policy. However, this does not mean entry in the near future into this military-political bloc which, in his opinion, is becoming "an increasingly political one."

Moreover, at present Ukraine's economic position does not permit it to bear the burden of spending connected with entry into any blocs. On the contrary, the president stressed, his country is reducing the number of its Armed Forces year by year.

**Udovenko on NPT, Chernobyl, NATO Enlargement, EU Aid**

*BR0412161495 Madrid EL PAIS in Spanish 4 Dec 95 p 9*

[Interview with Foreign Minister Hennadiy Udovenko by Borja Riera in Madrid; date not given: "The West Has Not Kept Its Promises to Ukraine" — first paragraph is EL PAIS introduction]

[FBIS Translated Text] During his visit to Madrid Ukrainian diplomatic chief Hennadiy Udovenko (64) met with the members of the troika [past, present, and future presidents of the EU] and criticized the West for not having delivered the economic aid promised to Ukraine when that country opted to get rid of the nuclear weapons inherited from the USSR.

[Riera] Just over a year ago Ukraine was a country threatened with collapse. Doubts were openly expressed about its ability to consolidate its position as a state.

[Udovenko] Despite the economic difficulties, President Leonid Kuchma managed to reconcile the rebirth of the Ukrainian national concept with the protection of minorities.

[Riera] Are you satisfied with the political support given by the West?

[Udovenko] Politically, the West has helped to consolidate Ukraine's independence and ensure respect for its borders. One example of this is the EU's support for our recent membership of the Council of Europe last month.

[Riera] What about economically?

[Udovenko] That is a different matter. Ukraine, which inherited a major nuclear arsenal from the USSR, signed the Nuclear Nonproliferation Treaty last year. This won us the respect of the West. However, the West has not kept the promises it made to Ukraine. We have not received the promised financial aid in order to dismantle these weapons and, although the United States has helped us some, we have had to pay to do this on our own. We have kept to our commitments, now the West should keep to its commitments.

[Riera] When will the transition of all these weapons be completed?

[Udovenko] It is a matter of months.

[Riera] Will the Chernobyl nuclear reactor be closed?

[Udovenko] President Kuchma promised to close it in exchange for economic aid. Highly complex problems are involved, such as the cover for reactor 4 and the storage of the spent nuclear fuel. We suggested opening political negotiations with the G-7 because if proposals for economic aid to close it are not made, Chernobyl will continue to operate.

[Riera] Could NATO's enlargement jeopardize Ukraine's security?

[Udovenko] We have to look for overall security solutions for Europe which go beyond NATO and which include the OSCE and the WEU [Western European Union]. But NATO's expansion is a reality and each individual country will have to decide whether it is going to join, without anyone having a veto. Now, it would be better for enlargement to be gradual. We are concerned that NATO's enlargement may cause a concentration of power along our eastern border. Ukraine does not want to turn into a buffer state between NATO and the CIS. We must avoid dividing Europe into military blocs once again.

[Riera] Russia wants to keep the Sebastopol base in Crimea as the base of its Black Sea fleet.

[Udovenko] After the agreement reached in June on the division of the Black Sea fleet, there remain some technical hitches and some problems regarding the

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division of property, but we will never negotiate the sovereignty of Sebastopol.

[Riera] Is Ukraine still under threat from Russia?

[Udovenko] We have to understand Russia's fear of being isolated. Russia plays an international role and its participation in the Bosnian peace process is a success. But in Russia there are still many people who do not think that Ukraine should be a sovereign state.

[Riera] What did you ask of the troika?

[Udovenko] The EU considers us a nation with a centralized economy. We are seeking to be seen as a country whose economy is in transition, something which would facilitate the entry of our products onto European markets.

**Zaporozhskaya Fault Causes Russian-Ukrainian Power Shutdown**

*LD0512191395 Moscow INTERFAX in English 1711 GMT 5 Dec 95*

[FBIS Transcribed Text] KIEV, Dec 5 (Interfax - Ukraine) — The Russian and Ukrainian energy systems were disconnected at 5 p.m. Monday, the director of Ukraine's Kievenergo, Ivan Plachkov, told Interfax - Ukraine Tuesday.

An unexpected failure of the first reactor of the Zaporozhskaya nuclear power plant caused the disconnection, he added.

The reactor with a capacity of 1 million kilowatts was halted Monday noon after a leakage was discovered in the main circulating pump. As a result, the frequency in Ukraine's electricity system decreased from 49.6 Hz to 49.2 Hz.

The reactor will be on a standstill on December 8 to facilitate repairs. After the reactor is restarted, talks on the systems' reconnection will begin, Plachkov said.

At the same time, Zaporozhskaya spokesman Oleg Sheka told Interfax - Ukraine that the disconnection followed non-payments by Ukrainian electricity consumers and repeated warnings from the Russian side.

Zaporozhskaya is the largest of Ukraine's five nuclear power plants.

In the winter, Ukraine's demand for electricity ranges from 560 million to 580 million kilowatt/hours a day, decreasing to 500 million kilowatt/hours in the spring.

Ukraine and Russia have about a hundred dual-powered high voltage lines. Due to the disconnection, some lines are powered from only one source, which resulted in lower reliability of energy supply to many major consumers.

The two countries had designed and implemented a special program for disconnecting Ukraine's energy system from those of Russia and Central Europe in November 1993.

Ukraine saw its energy system divided into three parts. The Kharkov system continued to work together with the United Energy System of Russia, while the western part of the Lvov energy system went to Central Europe. Central Ukraine's system works together with those of the North Caucasus and Bulgaria.

**Top Politicians on NATO Expansion, Russia**

*WS0512131095 Kiev ZERKALO NEDELI in Russian 25 Nov 95 p 6*

["Round Table" attended by Volodymyr Mukhin, chairman of the Ukrainian Supreme Council Committee for Defense and National Security; Rukh Chairman Vyacheslav Chornovil; Vadym Hrechaninov, Ukrainian presidential adviser for military issues; and Ihor Kharchenko, head of the Ukrainian Foreign Ministry Department of Political Analysis and Planning, conducted by Oleksandr Hurevych; place and date not given: "Will a European Tragedy Occur for the Fourth Time?" — first paragraph is ZERKALO NEDELI introduction published]

[FBIS Translated Text] *Europe is again at a crossroads. An ever increasing slide of the Russian political elite into nationalistic, great-power, and "special-path" positions; its growing anti-West sentiments — caused by either populist fighting for power or fundamental convictions — are threatening our continent with new troubles. In the East and West European countries, these tendencies again renew anxiety over a "threat from the east." But now instead of the former anti-Sovietism, Russophobia is being spread more and more actively. Taking advantage of Russophobia and the weakness of Russia, the United States and their primary European partners are persistently pushing their interests into the east of Europe. To what will all this lead? What are the reasons for such a destructive development? Who must be blamed for it? What must Ukraine choose in such a situation? Volodymyr Mukhin, chairman of the Ukrainian Supreme Council Committee for Defense and National Security; Rukh Chairman Vyacheslav Chornovil; Vadym Hrechaninov, Ukrainian presidential adviser for military issues; Ihor Kharchenko, head of the Ukrainian Foreign Ministry Department of Political Analysis and Planning; and ZERKALO NEDELI journalist Oleksandr Hurevych ponder all these issues.*

[Hurevych] If one looks at recent developments in the light of history, it is easy to see that the main peculiarity of European development in the 20th century was the division of the continent into rival groups. The

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exacerbation of antagonism between them inevitably led to their confrontation, the arms race, and, in the long run. to an all-European war which spread to the rest of the world very quickly. At the end of each war, a new division of Europe — based on the correlation of forces resulting from the victory of one of the coalitions — took place. This tragic cycle was repeated with a surprising consistency and triggered three wars — two hot [goryachiy] and one cold. Why did the last — Yalta-Potsdam — system of European security collapsed? What can replace it?

[Kharchenko] Simply one of its pillars did not bear the pressure. In addition, this was caused not by external, but purely by internal reasons. The main peculiarities of the new situation are as follows: First, one of the main characters in a new European play is a non-European state — the United States; second, another potential primary character — Russia — is now located geographically far from the center of developments and has been weakened in economic, political, and military aspects. But one should not create illusions about its military weakness: It is impossible to develop any concepts of European security without Russia. In my opinion, one should look for Russia, primarily within the framework of the Organization for Security and Cooperation in Europe [OSCE], because no other organization has such opportunities in preventive diplomacy. But due to the fact that any bureaucratic structure exhausts itself, one way or another, in some 15 years, a new political structure will most likely replace the OSCE.

[Chornovil] The Yalta-Potsdam system was based primarily on ideological confrontation. As soon as this confrontation weakened, the entire construction collapsed. God forbid if a system of blocs is restored and a Tashkent bloc in response to NATO expansion emerges. Therefore, as soon as possible NATO must be replaced by a collective security system. As regards Russia, two options are possible here: Either it becomes a member of this system, or it will prefer to create its own system with a bias toward Asia. By the way, it is not excluded that the United States in turn would also like to build a structure with a bias toward America.

[Mukhin] The current situation was caused by the Soviet Union losing the Cold War. Due to the fact that war is war, antagonistic forces in the West had, naturally, an interest in the collapse of the USSR. As regards the future system of European security, I support the other participants in this meeting: First, it must be based on the OSCE, and second, such a system cannot be organized without Russia.

[Hrechaninov] The collapse of the Yalta-Potsdam system has had both positive and negative consequences. According to the fair remark by Mr. Chornovil, the positive consequence is connected with the disappearance of the political and ideological confrontation and its resulting military antagonism. Hence, the system of European security blocs, based on "mutual restraint," has ceased to exist. The negative consequence is connected with the emergence in Central and East Europe of a "specific security vacuum," a center of military instability, characterized by a constant tendency toward the "Yugoslavization" of conflict situations.

[Hurevych] Yugoslavia is a symbol of the European vacuum of power. Its other tragic manifestations are Afghanistan, Georgia, Tajikistan, and, in the long run, Chechnya.

[Hrechaninov] This explains why it is so extremely necessary today to create all-European security structures, including the mechanisms for fulfilling effective police functions. As regards the OSCE, despite the fact that it became an organization after being a conference and is participating, visibly or invisibly, in all hot spots — Crimea, Chechnya, Karabakh, and so on — it, alas, has not become a true organization. Therefore, the progress of the OSCE will likely be ensured only after it obtains, like NATO, real piillars in the zone of its activities.

[Hurevych] So, the fact that the removal of confrontation between blocs has not made the world more stable is now recognized by everyone. On the contrary, due to the weakening of the disciplinary role of the interbloc confrontation, many now remembered their own "pains" and interests which were met before based on the principle of collective purpose and sufficiency [dostatochnost]. As a result, a considerable amount of conflicts — both intergovernmental and domestic — has been amassed: control over the non-proliferation of mass destruction weapons and their production technologies has weakened; terrorism has acquired threatening proportions; the environmental situation has deteriorated; and so on.

All this has come about, and the need to resolve these problems by joint efforts, while this process is still manageable, has been understood. But although the image of an enemy, created over dozens of years, has lost its color, it has not vanished completely. Our mood can be compared with that of a warrior who returns from an accustomed situation of a roaring war to a forgotten silence of the rear; thus, he is anxious, alert, and suspicious. The most dangerous thing in this situation is the return to the old — "well- known" — bloc confrontation. The probability of this also is quite high, because NATO, which has

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an objective need for some kind of transformation and adjustment to the changed reality remains the single military-political union in Europe with all the ensuing consequences. What objective and subjective reasons obstruct the dissolution of NATO? What must Ukraine do in connection with this: To become a member of the CIS collective security system (a Tashkent agreement), to have specific conditions for mutual relations with NATO based on the "Partnership for Peace" program, or to become a full-fledged NATO member?

[Chornovil] NATO is a vehicle which cannot be stopped so easily. Among objective reasons obstructing its dissolution, I would primarily cite the instability in Russia, particularly developments in Chechnya. Among subjective reasons, I would name Yeltsin's edict on the zone of strategic interests of Russia which comprises, as it turns out, the entire USSR.

Of course, Ukraine's full-fledged membership in NATO is out of the question, because we are a non-bloc state. Therefore, the most appropriate option is the "Partnership for Peace" program. Only when NATO transforms itself into a collective security system will it be possible to discuss our access to this organization. Another thing is: When we choose options for our security, one should try not to tease the "Russian bear."

[Hrechaninov] Since military force remains a single reliable guarantor for international security, Ukraine has an interest in the existence of NATO, the preservation of "Atlantic solidarity," and the location of American troops in Europe. At the same time, the independent role of Europe in the security sphere must be strengthened and NATO interaction with the UN, OSCE, EU, and other international institutions must deepen. This is triggered by the fact that the concept of security, in our opinion, is not only of a military nature, but also includes political, economic, and social components. Relations with the former USSR states still do not develop very easily. The adoption of the Tashkent defensive treaty in May 1992 and Ukraine's non-participation in it have strengthened the polarization of our relations with Russia. Different opinions on the division of the Black Sea Fleet must also be mentioned here. At the same time, the Tashkent summit is interesting in that two contradictory documents were adopted there: a collective security treaty and an agreement on the division of ordinary weapons of the former USSR. If the first treaty declares the unification of states in a defensive union, the second agreement envisages that the states abandon the general system and provides foundations for creating national armed forces. This tenet has been practically preserved until now.

Naturally, Ukraine responded by the expansion of its military-political relations with the West. Because we support the creation of an all-embracing system of universal security, Ukraine highly assesses the openness of NATO to the Central and East European countries, particularly its the "Partnership for Peace" program. As is known, on 14 September of this year, at a special meeting at NATO headquarters, our foreign minister presented an individual program for partnership between NATO and Ukraine which was fully approved by the NATO Council and became a guarantee for our future fruitful cooperation with European structures.

[Kharchenko] No one now wants the dissolution of NATO, except perhaps Russia. Why should something that proved its effectiveness be liquidated? Therefore, the most pressing issue now is its transformation, primarily toward the expansion of its political functions. In this connection, I would like to draw your attention to the fact that European stability is ensured not so much by NATO as by the EU philosophy of consensus, something established by the EU over the long history of its existence. The most difficult issue in this context is the hierarchy of such organizations as the OSCE, NATO, the Western European Union, and the EU. In my opinion, this hierarchy should be avoided, and each of the above-mentioned organizations should occupy their own sphere.

[Hurevych] Since you have touched on this problem, do you not think that the EU is some kind of a prototype of the United States of Europe? In addition, at one time, the Marshall Plan was developed to build Europe along lines of the United States.

[Kharchenko] I do not quite agree with this, because Europe and the United States are different civilizations.

[Hurevych] But is it not a single Western Christian civilization?

[Kharchenko] What I mean is that the United States is a country of immigrants who created their specific culture, characterized by a specific mentality.

[Hurevych] Indeed, mentalities are different, but I mean states with very strong local self-administration, which, by the way, one way or another is implemented in the state system of the Federal Republic of Germany and Switzerland. Why not view European countries in the future as federative units with self-administration? By the way, based on this system, we also can obtain an answer to a question regarding the future European security system. Based on the experience of the United States, this security system would be an army to protect from foreign attacks and a national guard to resolve domestic issues.

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[Kharchenko] Some time ago, in the 1920s, a concept for creating a European army was put forward. In the 1980s, a French-German Eurocorps was formed as a model of "practical military integration in Europe," as German Foreign Minister F. Ruehe put it. A German-Netherlands corps has been formed recently. There is also a German-American corps and the first multinational NATO division — established in 1994 — held training exercises in the Netherlands recently. But the issue about creating an all-European army is not yet on the agenda, because there are a lot of other pressing problems.

[Hurevych] Nevertheless, a prototype of such an army exists in the former Yugoslavia in the form of UN multinational forces. The creation of a united group of NATO and Russian peacekeeping forces in one form or another is being currently discussed. Hence, perhaps at issue is the establishment of an international guard to instill order in Europe.

[Mukhin] I would like here to focus your attention on such a circumstance. Although all NATO members are quite satisfied with the current structure of NATO, some of its participants believe that since Russia has left East Europe, the United States must leave West Europe. Great Britain expresses this position in a most clear-cut way.

[Hurevych] By the way, if one looks at it from the sidelines, it looks very strange, considering that John Bull has always been regarded as Uncle Sam's primary strategic partner in Europe.

[Mukhin] Perhaps after the collapse of the USSR residents of Europe consider that they can deal with their issues themselves. In fact, this is the logic of a farmer who wants to be the master on his land.

[Hurevych] I recollect the statement George Bush issued in 1989 when both Germanies united, when he recognized Germany as a strategic partner of the United States. If well-known statements by Margaret Thatcher regarding a possible revival of "hegemonisticc intentions of German leaders" are added to this, is it not this that triggers the British reaction to the U.S.-German coalition? In addition, we can do nothing with the fact that ghosts of two world wars were created precisely in Germany.

[Mukhin] Of course, there are definite foundations for such fears. But if German expansion is at issue here, its military-political aspect, I believe, has gone, never to return, that is, only economic expansion is at issue here. But this will occur no earlier than when the Federal Republic of Germany digests the incorporation of its eastern lands. But in any case this process does not pose any threat to Ukraine. Moreover, I believe that just as Russia in the east, Germany must become our strategic partner in the west.

[Hurevych] To conclude our discussion, I cannot but touch upon a problem that is acute for both Russian and Ukrainian societies — the eastward expansion of NATO. What do you think?

[Hrechaninov] I have already pointed out that pillars of all-European security at the eastern pole of Europe are either absent or undeveloped. Undoubtedly, Russia is particularly responsible for this. Regrettably, its internal instability and the weakness of CIS and Tashkent agreement mechanisms manifest that this task is very complicated for Russia. But, as is said, there is no other way. If it were otherwise, Russia and its CIS partners would find themselves in relative isolation from the remainder of Europe.

On the other hand, the isolation of Europe can also be provoked by the Western side. This will take place if the West does not manage to persuade Russia and other opponents of its expansion that models of all-European security do not come into conflict with the expanded membership of NATO. Then we will obtain neither the model itself, nor a really true security system.

[Chornovil] At the time, Western analysts discussed two options for NATO expansion by the countries of Central and East Europe: As regards the first option, they enter the EU and then NATO (the so-called evolutionary expansion), or according to the second option, they enter NATO first and then the EU (the so-called active stabilization). Now, judging from everything, the second option is being thoroughly examined. But developments are so dynamic that it is difficult to say how it will be implemented in reality. There is one thing about which one can be sure: The West wants Ukrainian policy to be pro-Western, but its military status to be neutral. In my opinion, this quite suits Ukraine.

[Kharchenko] I would have replaced the word "expansion" in the term "evolutionary expansion" by the word "widening," or the increase in the membership of the alliance, because the current process is a response to a persistent wish of the Central and East European countries to enter NATO. After a three-year discussion, all NATO and EU member-states issued an official statement to the effect that accession to these organizations should be synchronous. Therefore, I would have combined two options of NATO expansion and call the result an "evolutionary stabilization." Ukraine's viewpoint on these processes is as follows: A consensus should be found along the path of creating a principally new — compared with the present one — system of collective

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all-European security. The primary obstacle to this is of a psychological nature.

[Mukhin] First, not all NATO member-states support its expansion. They believe that this will weaken the bloc, because a nuclear umbrella will be stretched over all of Europe. Second, an accession of any country to NATO requires enormous moneys — to the tune of billions of dollars — to upgrade one's armed forces to NATO standards. Therefore, to speak about the accession of the Visegrad four member-states to NATO within the next 10 years is not serious. Ukraine's attitude toward this issue is as follows: We support political expansion, but we oppose military expansion connected with the location of NATO military units and nuclear weapons in the countries of Central and East Europe. If one assumes, for example, that despite everything, this takes place in Poland, it will be a strong impetus for Ukraine to join the Tashkent agreement.

[Hurevych] Even from the opinions voiced here, one can see how knotty is the situation in Europe and what a dangerous turn further developments could take. Therefore, as a conclusion to our discussion, I would specify two things. The first refers to the viewpoint of Russian power bodies. A constructive effort aimed at the elimination of public fear and anxiety in East European and Western countries over a new "Russian threat," the incorporation of Russia into European structures, and the deepening of cooperation with NATO bodies are needed to respond to the NATO East European move. The second thing is connected with efforts by the entire European community to develop a realistic concept of a new system of all-European security that meets the demands of the changed situation and incorporates all the countries of the European continent.

## National Affairs

### Reshuffle Linked to 'Confrontation' in Kuchma Team

*WS0612123695 Kiev ZERKALO NEDELI in Russian 2-8 Dec 95 p 1*

[Unattributed article: "No Man Is an Assistant in His Own Country"]

[FBIS Translated Text] On Thursday [30 November] URYADOVYY KURYER published a number of Ukrainian presidential edicts on reshuffles within the Presidential Administration. Namely, former domestic policy assistant Volodymyr Lytvyn is now Presidential Administration deputy chief, and security assistant Yuriy Havrylov and military assistant Vadym Hrechanynov were dismissed in connection with a transfer to another job and retirement, respectively.

This decision had been maturing in the depths of the Presidential Administration for quite a while, and was adopted and made public quickly and unusually vigorously. However, one should not link the series of edicts with a recent meeting of the Defense Ministry Collegium.

Commenting on the decision, Oleksandr Razumkov, first assistant to the Ukrainian president, (by the way, he is the direct chief of the three aforementioned officials), said the following: **"Volodymyr Lytvyn was transferred at my initiative. The decision concerning Yuriy Havrylov and Vadym Hrechanynov was made without taking into account my proposals.**

"There are very influential forces which are not interested in providing the president with information concerning the special services, law enforcement agencies, and additional possibilities of controlling the situation within the Armed Forces through many channels. The decision to simultaneously dismiss the two 'power' presidential assistants was a result of the influence of the aforementioned forces.

"Moreover, a group of presidential assistants and some advisers have their own stance on a number of fundamental issues concerning our domestic and foreign policies. Although I have no grounds to believe that the president does not efficiently support their stance, he undoubtedly makes decisions taking into account all opinions, and they do not always correspond to our suggestions. This is an absolutely normal phenomenon. Certain people are very upset by the fact that we are their ideological opponents, also as regards ethical issues. Thus, there are constant attempts to provoke us to make "abrupt moves" and split our team, which I consider united and highly professional. I would advise the aforementioned forces, however, that one success is not yet victory."

ZERKALO NEDELI once wrote in detail about a confrontation within the Presidential Administration, and we will perhaps return to this topic. We think nobody has any doubts that the confrontation is continuing.

The talk is currently about something else. By all appearances, while signing the edicts concerning Yuriy Havrylov and Vadym Hrechanynov, the president was guided by his personal opinion on both assistants' professional level. Of course, it is the president who should decide with whom he should work. Oleksandr Razumkov's statement on the forces striving to close additional channels of information coming to the president will be either confirmed or refuted in the immediate future. All we have to do is to be patient and wait for a decision on the fate of the offices of power assistants. If the offices of security and defense assistants are preserved, which is very unlikely, we will simply have to see whose people will be appointed to them. As a matter of fact, that is all.

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## Belarus

### Defense Minister Holds Talks With German Delegation

*WS0512151795 Minsk Radio Minsk Network in Belarusian 1300 GMT 5 Dec 95*

[FBIS Translated Text] As reported by the Defense Ministry Press Service, negotiations have been held between Lieutenant General Leanid Maltsaw, Belarusian defense minister, and General (Diater), leader of the Bundeswher delegation and deputy chief of the Main Directorate of the Federal Ministry of Defense for Military Policy Issues. Military and political issues as well ways of cooperation were in the center of the discussion. In addition, the issue of further development of contacts within the framework of the cooperation program for 1996 was discussed.

### President to Russian Leaders: Need for Rapprochement

*LD0512213495 Moscow INTERFAX in English 1925 GMT 5 Dec 95*

[FBIS Transcribed Text] MINSK, Dec 5 (Interfax-West) — On the eve of the December 17 parliamentary elections in Russia, Belarusian President Alyaksandr Lukashenka thought it his duty to send a letter on his vision of Russian-Belarusian relations to the leaders of Russia's 15 major parties and movements.

"There does not exist an alternative to rapprochement of the two brother nations, Russia and Belarus, because both Russian and Belarusian peoples have a single centuries-old history and one ethnic, cultural, spiritual and moral Slavic code," he remarked.

It is the Slavic roots that "pre-determine the future of our states and peoples and shape the strategy and tactics of building statehood and the vector of political will of statesmen and politicians," Lukashenka said.

### Lukashenka Briefs Domestic, Russian Media

*WS0612120095 Minsk NARODNAYA GAZETA in Belarusian 1 Dec 95 p 2*

[Interview with President Alyaksandr Lukashenka, by journalists of Belarusian and "foreign" media "reported" by BELTA; in the president's residence in Minsk, date not given: "Alyaksandr Lukashenka: 'I Do Not Need Absolute Power, I Would Prefer To Work Within the Framework of the Constitution'" — first paragraph introduction]

[FBIS Translated Text] **As has been already reported, at the beginning of this week, Belarusian President Alyaksandr Lukashenka received a large group of journalists at his residence. They represented Belarusian and foreign state and nonstate media. Following a short introductory speech, in which the president assessed the political and economic situation in the Republic and expressed his attitude toward some aspects of the foreign policy, Alyaksandr Lukashenka answered questions from press correspondents.**

[INTERFAX] How effective will be your cooperation with the Supreme Soviet if it is, despite everything, joined by such people as [former National Bank Chairman] Bahdankevich and [former Interior Minister] Zakharenka?

[Lukashenka] My cooperation with the Supreme Soviet and its effectiveness will depend on the position of the Supreme Soviet itself. The main point is how the Supreme Soviet will understand its place in the political system of our country. Every power branch in this system has its own place. Look at what the old Supreme Soviet has recently arrived at. As soon as the president began to pass resolutions, so to say, on his own plot of the legislative area, parliament hastily worked out and passed the law that limited the president's possibilities. Please remember how the laws on the Supreme Soviet, the president, and the Cabinet of Ministers were adopted. The first law was an attempt at expanding the Supreme Soviet authority, while the next two laws tried to restrict the authority of the head of state and his government. The Constitutional Court chairman himself spoke about an unconstitutional character of such an attempt, but when these laws were submitted to the court, their examination was put off. It is these laws which are the underlying reason for the conflict between different power branches. I was reproached for my vigorous activity in connection with this. However, I simply reacted to the situation. Alos. please remember what you were writing yourselves not long ago: Power lies about in mud and there is no one to pick it up; you demanded a strong and reasonable authority. Now the strong authority has appeared. I do not do anything disgraceful. My activities are a reaction to social trends.

[BELORUSSKAYA NIVA] Following your report at the conference of the executive vertical structure of power [on 21 November], the parliamentary speaker stated that you were precise not in everything.... What can you say about this?

[Lukashenka] If he terms my report as populist, then how should one assess his statement at that news conference? I would call it extremely biased, although he never mentioned the president directly. He speaks to the media and says that wages are not being paid. The Supreme Soviet Presidium and Secretariat, however,

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are being provided in full. Regarding the deputies, [Supreme Soviet Chairman] M. Hryb himself admits that he does not know where they work. He speaks about big outlays on the presidential protection service. This service, however, protects not only the president, but also Hryb, [Prime Minister] Chyhir, the Constitutional Court, and the Supreme Economic Court. Why does the parliamentary speaker mislead the people? Is this not populism?

Now about the presidential reserve fund. Do you remember how some time ago there was much discussion in parliament about the fact that every state leader has his own reserve fund? I have simply unified these funds in one presidential fund. I have not created anything new and I have not withdrawn any resources. What harm is there in the fact that the reserve fund has found itself in one set of hands? The fund is used to compensate for customs duties imposed on medicines and other commodities that we so badly need. A part of its resources has been allocated to buy equipment for the production of trolley cars; a certain sum has been earmarked to reconstruct an Orthodox church, build monuments to distinguished persons, as well as to subsidize the metro and the construction of apartments for servicemen.... All this money is under control; it is distributed only by the president. We have planned to collect 333 billion. For the time being, we have collected and distributed only one-fifth of this sum. Thus, we have the reserve fund, but no money. The same situation exists in the Administration of Presidential Affairs. Hryb did not say that this administration subsidizes many state structures, including periodical publications, the broadcasting company, the government, the Supreme Court, the Supreme Economic Court.... The Supreme Soviet received 65 billion rubles this year through the Administration of Presidential Affairs. This is several times more than the money earmarked for the government. Is it not populism to omit such facts in an interview?

[MOSKOVSKIYE NOVOSTI] Today opposition newspapers are closed down and have to be printed abroad. What about the rights and freedoms envisioned in the Constitution? How will the situation develop in the future?

[Lukashenka] They will be treated adequately. The point is not in their biased coverage. The point is in their lies. How can I treat a newspaper that mocks the president for his fondness of playing tennis? Would it be better if he drank vodka? Come and play with me. Does the tennis court really suffer a lot of losses due to the fact that the president plays tennis on it? How should I treat such media? One more example: SVABODA reports: A man from the presidential bodyguard shoot himself. Thanks God, all my bodyguards are alive. But there was one man in the presidential service who shot himself after he had learned about his incurable illness. A wonderful man. How is it possible to mock his memory? There should be limits.

[BELAPAN] What are the possible scenarios in mutual relations with the Constitutional Court?

[Lukashenka] There are many scenarios. I promise to inform you about them. Incidentally, none of you has taken any interest in the president's statement to the Constitutional Court. If you had, you would know the answer yourselves. There may even be the most rigorous resolutions, but they must be adequate to the situation. The resolution adopted by the Constitutional Court is legal nonsense. They say that the 25-percent barrier [for voting turnout] does not apply to the present elections. To which elections, then, does the electoral law apply? This is politics. What do they mean by saying that at first they will adopt the resolution and then they will see? What do they see, whom do they see?

[BELTA] This is a question somewhat aside from political controversies. You have recently tackled problems of young people and culture. Is this due to a suitable time, or to more favorable economic circumstances, or to prospects for the future?

[Lukashenka] There are prospects for the future, too. In general, my first meetings were held with young people. I proceed from the assumption that the young president should understand young people. Another matter is that I could not help our youth earlier. Literally on the eve of our meeting, I charged my main aide Kanaplyow with the task of sorting out the payments of student stipends. Just look at what is going on there. Students of the Belarusian State University have to wait in line for their stipends. My son says: Dad, go and listen to what is being said about you. Why me? Am I, not the university head, to blame for this line? Maybe this was done deliberately. As a result, the president is to blame. Moreover, I ordered to find out where stipends are not paid at all. I cited only a few examples, from memory, because I do not tackle these problems everyday.

Regarding my meeting with the intelligentsia, I think that it should have taken place earlier. I prepared for it for a long time. I did not want it to be another routine event. The meeting was successful. I ordered to allocate about $1 million to purchase equipment for leading ensembles. We will take money from our arms trade. I am satisfied with the meeting. There was full mutual understanding. I was happy to hear that representatives of the cultural sphere saw the president in a different light.

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[ZVYAZDA] When will a program of support for the Belarusian language be adopted?

[Lukashenka] We do support it. A lot of funds have been assigned to subsidize the publication of Belarusian-language books and newspapers. However, not only publishing is important. It also is important for these publications to be read. Not everything is good here. People from the Union of Writers ask me to help distribute the Belarusian-language literature through the post to press on readers. What about democracy in such a case? As for my attitude toward the Belarusian language, it is good.

[Mayak Radio] Will the rigorous logic of the market not force you to abandon the principles of social protection?

[Lukashenka] A good question. This rigorous logic of the market narrows the corridor of operation for the Belarusian Government. Our task, however, is to soften the consequences of implementing reforms and to preserve what we had before; also, to finally suppress inflation and stabilize our currency so that it is well received abroad. I want my electorate to understand me correctly. There are objective laws.

[SVABODA] Do you not think that you should be less aggressive in your addresses? Do you not think that you should apologize for beating the people's deputies [on hunger strike in April]?

[Lukashenka] Speaking about aggressiveness, you apparently express the opinion of the media that you represent. Let us compare aggressiveness. When we compare it, the balance will not be to your benefit.

Regarding apologies to hunger strikers, for what should I apologize? The Supreme Soviet is not intended for hunger strikes, but for creating laws. If they had been occupied with their business, there would have been no problems.

[Radiofact] Do you need absolute power?

[Lukashenka] While in the United States, I made a joke in a conversation with Bill Clinton: I wish I had your problems. He was surprised at first, but then he laughed for a good while. I explained: Are you occupied with privatization, prices? No. This is exactly what I mean by saying that I wish I had your problems. I am often forced to do what I should not do; I give orders to improve the situation by the force of power and authority. However, I would like everybody to deal with his own business, including the president. I do not need absolute power, I would prefer to work within the framework of the Constitution. However, society and situation exist, such as they are. I have to operate within this framework. I have to remember that people look at the president and proceed from the assumption that nobody but he can resolve a concrete problem. I cannot say, as a once-known democrat said in his time, that I lack power. The authority will be strengthened as far as society needs it. If wages and pensions are not paid, I will take the most stringent measures, although I am limited by certain laws. I am not going to tolerate disorder.

[NARODNAYA GAZETA] Do you have ideas able to consolidate our society?

[Lukashenka] You ask a deep question. We are trying to work out a specific program. I do not want to abandon the ideas of statehood, peace, stability. They unify the people today. We are the state. We should see how to continue building our statehood. Otherwise, for what are we flexing our muscles? Therefore, do not write in NARODNAYA GAZETA anymore that the president is against the statehood.

[Russian Public Television] To what extent is the customs union [between Belarus and Russia] beneficial? Besides, with which businessmen — ours or those from the West — are you going to build market socialism?

[Lukashenka] With ours. Priority will be given to our businessmen. In the period of privatization, however, we will pay attention to our profits, too. Sometimes our businessmen demand we give them enterprises for free, whereas those from the West offer money. We will still ask them about what they are going to do with their profits. And we will cooperate with them. However, it is more advantageous to deal with our businessmen or with Russian ones, with whom we speak the same language.

Regarding the customs union. At the very beginning, the customs union was not advantageous for us with respect to a number of commodities. Such a union provides for mutual concessions. Now the situation is balanced. Overall, the customs union is beneficial for us. It faces great prospects if there is a will on the part of politicians. The customs union is a breakthrough. My trips abroad have shown that Western businessmen are ready to invest in our undestroyed economy which, incidentally, is not controlled by mafia structures.

[SOVETSKAYA BELORUSSIYA] To what extent does your apprehension that criminal elements are trying to join the Supreme Soviet can be substantiated? M. Hryb has cast doubt on figures cited by you in your report.

[Lukashenka] The point is not figures, which I took from appropriate services, but the trend. Many try to cover themselves with deputy immunity, in both Belarus and Russia. Therefore, I will press for implementing my edict on this issue. Let them criticize me. However, it

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is not good when a man who deserves to stand in the dock is defended by some assembly.

[FEMIDA] How are we to live: according to the Constitution or to our conscience?

[Lukashenka] According to the Constitution, but without giving up our conscience.

[RESPUBLIKA] Will the policy of financial support for the media be continued?

[Lukashenka] I have ordered a review of those publications which are supported; I did this to determine how accurately this policy is pursued. However, no chief editor of a paper supported by us may say that I called him and said: You publish the wrong staff. We plan to earmark about 800 billion rubles to support the press and printing next year.

[Russian Public Television] In your report at the conference of the vertical structure, you said that Belarus is encircled by intelligence services. Moreover, your comments on the activity of the Soros Fund in Belarus are not always positive....

[Lukashenka] The first question refers to confidential information. I will say the following: The West is afraid of a rebirth of the "evil empire," as they call it. Who raises the question of integration more often than all others? The Belarusian president does. Therefore, they exert quite strong pressure....

As for the Soros Fund, it is hard for me to accept its activity. Let us look at financing the opposition press by the fund, or, to be precise, the press that is particularly hostile to the Republic's leadership. Why cannot the Soros Fund finance ZVYAZDA? This newspaper also criticizes the president and is published in Belarusian. Some time ago I received Soros, although previously nobody wanted to receive him. We agreed upon mutual relations. Soros is not fulfilling those agreements.

[RIA] To what extent is Belarus free to dispose of the weapons located on its territory?

[Lukashenka] Russian reports on the Belarusian arms trade pursue only one goal — to undermine competitors. Yes, we have a lot of weapons on our territory. Who can deny my right to sell the surpluses? We do not sell anything secret. I repeat, this is a tempest in a teapot connected with competition.

[BELORUSSKAYA NIVA] How will the problem of nonpayments be resolved?

[Lukashenka] I will dwell on nonpayments in the agricultural sphere. We have earmarked 250 billion rubles to pay debts for products supplied by kolkhozes, sovkhozes, and individual farmers to the state. Some funds can also be found in the Agro-Industrial Bank and in oblast budgets. We have paid debts in the amount of 150 billion rubles; the payment of 170 billion rubles worth of credits has been rescheduled. It is no secret, however, that many of those who complain live poorly due to their poor work. The press needs to view the problem from this side, too. In the near future, there will be a conference on nonpayments, which will be addressed with a report by a commission created by the president.

[BELTA] You have shown sympathy with the destiny of Professor I. Kucharaw, who was imprisoned in Lithuania. Was this motivated by sympathy?...

[Lukashenka] Yes, by sympathy. There was no other motive but sympathy for our citizen. There is no question of some pro-communist inclination in the president. I deemed it my duty to stand up for the sick man. I talked with [Lithuanian President] Brazauskas about other prisoners, too. When I learned how they were deported [from Belarus to Lithuania], I came to the conclusion that this was a shame. I had nothing to do with this, but I feel ashamed of those who adopted the resolution on deportation. It is strange that the press has so far not dug out details. I repeat, this will remain a shameful fact in our history.

I am grateful for this constructive meeting. It has shown that we can conduct a normal dialogue with representatives of different publications. I ask for only one thing — objectivity. I wish you every success. Thank you.

## Moldova

### Military Cooperation Memorandum Signed With U.S.

*LD0512165595 Moscow ITAR-TASS World Service in Russian 0057 GMT 5 Dec 95*

[By ITAR-TASS correspondent Andrey Loshchilin]

[FBIS Translated Text] Washington, 5 Dec (ITAR-TASS) — A memorandum on cooperation in the military field was signed between the United States and Moldova yesterday at the Pentagon by U.S. Defense Secretary William Perry and Moldovan Defense Minister Pavel Creanga. The document envisions regular consultations and exchanges of delegations, the training of Moldovan officers at American academies, and "assisting in the participation" of subunits of the republic's armed forces in exercises within the NATO "Partnership for Peace" program.

This is only the second memorandum on cooperation signed by the U.S. Defense Department with a nuclear-free state of the former USSR, W. Perry stressed. "It

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is a reflection of our support for the independence, sovereignty, and territorial integrity of Moldova and a sign of gratitude for the role that this republic has played and is continuing to play in creating a stable, safe, and peaceful Europe."

"The present visit is of tremendous significance for our country," P. Creanga noted in his turn. "The memorandum signed will allow us to study the experience of the United States in building the armed forces. This is very important for our young national army."

The ministers discussed the situation in Moldova, the process of expanding NATO, and the bloc's forthcoming operation in the Balkans.

During the meeting P. Creanga submitted a request to the U.S. defense secretary to support Chisinau's demand for the complete withdrawal of Russian troops from the Dniester republic. W. Perry expressed "satisfaction" with the agreement on the redeployment of the 14th Army and "called on the State Duma to ratify it as soon as possible."

**Yeltsin Envoy Inspects Russian Troops in Dniester**

*AU0612082995 Chisinau BASAPRESS in English 1930 GMT 4 Nov 95*

[FBIS Transcribed Text] Tiraspol 04/12/1995 (BASApress) — Yuriy Baturin, Russian President Boris Yeltsin's adviser in security problems, has recently visited Tiraspol, according to the weekly SOLDAT OTECHESTVA of the Russian troops stationed in Dniester. Baturin, together with Lieutenant General Sergey Zdorikov, department head at the Russian Defence Ministry, visited the 59th division of the motorized infantry of the 14th Army, whose ranks was recently complemented by 1,000 soldiers recruited in Russia. Moscow representatives handed electronic and video devices and TV sets to the military subunits and some of the best soldiers. On behalf of Russian authorities, Yuriy Baturin appreciated the merits of the 59th division toward Russia.

Earlier, Lieutenant General Valeriy Yevnevich, commander of the Russian troops stationed in Dniester, told a press conference about a possible peace keeping status that can be granted to some unities of the troops that he commands.

**Russian Officer Denies Tank Unit Plans in Tighina**

*AU0412145195 Chisinau BASAPRESS in English 1930 GMT 2 Dec 95*

[FBIS Transcribed Text] Tiraspol 02/12/1995 [BASApress] — The General-Lieutenant Valeriy Yevnevich, commander of Russian Troops' Operative Group, stationed in Dniester, denied the rumours about the eventual dislocation in Tighina (Bender) fortress of a Russian tank regiment, which is currently stationed in a Tiraspol western suburb. Yevnevich declared at a press conference held in Tiraspol that "the decision regarding any dislocation of military units may be taken only by the head of Russian Defence Ministry headquarters." The Russian general added that the Moldovan authorities' consent is necessary, and that "the Moldovan officials will hardly accept something like this. Besides, in Tighina fortress, there are no conditions for stationing tank units," Yevnevich specified. Earlier, the rocket brigade of the 14th Army was stationed in Tighina fortress. The fortress is regarded by experts as one of the most important strategic objects in the region, for it is situated in the security zone controlled by peace keeping forces. Currently, one unit of motorized infantry of the Dniester Defence Ministry is located in the fortress, which fact, in the opinion of Chisinau authorities, is a violation of Snegur-Yeltsin convention signed July 21, 1992, stipulating that the zone is open for blue helmets only.

**Lucinschi Ties Economic Reform to Stability in Russia**

*AU0612114395 Chisinau INFOTAG in English 1930 GMT 4 Dec 95*

[FBIS Transcribed Text] Chisinau, December 4 (INFOTAG) — Economic reforms in Moldova and its wish to deepen cooperation with the Russian Federation largely depend on stability in Russia, Moldovan Parliament Chairman Petru Lucinschi said in his interview with the VESTI (NEWS) programme of the Russian Television. Its journalists are making a film featuring the Moldovan economic reform.

Mr. Lucinschi expressed a hope that the forthcoming parliamentary election in Russia will bring soberminded professionals to the State Duma who realize there is no way back but to advance with all-out reforms.

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"We want the Russian electorate to make a correct choice which would mark the beginning of a new epoch of Russian stability that will promote our traditional friendship and cooperation," Petru Lucinschi said.

Speaking about the transition to a market economy, the Parliament Chairman emphasized that the Moldovan leadership, the legislative forum and the government undertake energetic efforts in providing stability in Moldova, conducting the economic reform, protecting the vital interests of the population, particularly of its most vulnerable layers.

In that context, the Speaker stressed that in 1996 the Parliament is planning to simplify the taxation system, and to lower taxes paid by producers.

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## Kazakhstan

### Mutual Assistance Protocol, Others Signed With EU

*LD0612093895 Moscow ITAR-TASS in English 0807 GMT 6 Dec 95*

[By Aleksandr Mineyev]

[FBIS Transcribed Text] BRUSSELS, December 6 (Itar-Tass) — Kazakhstan and the EU signed a temporary agreement on trade and a number of other documents in Brussels on Tuesday. The sides also signed a protocol on mutual assistance between EU and Kazakh administrative bodies on customs issues and adopted a number of declarations, including on questions of the protection of intellectual, industrial and commercial property.

A list of conventions was endorsed on the protection of copy- rights in literature, art, photography, and on granting mutual most-favoured nations status on property rights. Kazakhstan will accede to these conventions within a period of five years.

The trade agreement envisages the most favoured nation status mutually granted by the sides, fosters provisions on anti-dumping measures, payments, competition and other aspects of trade and economic cooperation. Principles of the market economy were proclaimed to be the main principle Kazakhstan and the EU will be guided by in future. A procedure of resolving disputes has been outlined. It was specified in the document that issues of trade in textile products, nuclear materials, coal and steel would be regulated by special agreements.

Now that the temporary agreement on trade with EU was signed, Kazakhstan made the first step on the way to its integration into the European economic space. The document ensures a legal basis for a transitional period needed by Kazakhstan until the most important agreement in the history of Kazakhstan's international relations with the most powerful economic community comes into force.

### Installation Heads Destroyed at Missile Base

*LD0612120095 Almaty Kazakh Radio First Program Network in Russian 0700 GMT 6 Dec 95*

[FBIS Translated Text] The Ministry of Foreign Affairs of Kazakhstan has made a statement in connection with ending an important phase in implementing the START-1 treaty.

Mine launching installation heads [ogolovki] have been destroyed at the intercontinental ballistic missile base in (Zhangystobe), Semipalatinsk region, it says. Now more work has to be carried out to destroy the remaining infrastructure and put into operation sites and equipment suitable for further nonmilitary use. This work is to be implemented jointly with the United States on the basis of corresponding agreements.

After the mine launching installation heads are blown up, the staff of the strategic missile troop units are to be withdrawn from Zhangystobe and Derzhavinsk, and stationed in the Russian Federation, the statements notes. Once the process is complete — approximately by the end of 1996 — Kazakhstan's obligation to START-1 under the Lisbon protocol, to become a nonnuclear state, will be fully honored.

### Nazarbayev Meets Head of Chechen Government Zavgayev

*LD0612112595 Moscow ITAR-TASS in English 0936 GMT 6 Dec 95*

[By Fedor Ignatov]

[FBIS Transcribed Text] ALMATY, December 6 (Itar-Tass) — Kazakh President Nursultan Nazarbayev met Head of the Chechen Government Doku Zavgayev on Wednesday. During the closed-door meeting, Zavgayev handed over to Nazarbayev a message by Russian President Boris Yeltsin on the Chechen issue, Itar-Tass learned from well-informed sources.

Zavgayev informed the Kazakh president of the situation in Chechnya and steps aimed at achieving peace and accord in the republic and restoring the destroyed economy. The Chechen leader called for activisation of the process of peaceful settlement in Chechnya and opposed any actions that may jeopardise the process of achieving stability in the republic.

Nazarbayev said Kazakhstan was adherent to the position that the developments in Chechnya are Russia's internal affair and opposed any forms of separatism.

Nazarbayev welcomed the steps undertaken by Russia to restore the Chechen economy and stressed the importance of the upcoming elections in Chechnya. The Kazakh president expressed the hope that the Chechen crisis would turn into a dialogue without violation and confrontation.

### Senators Elected for New Upper House

*LD0512153995 Moscow ITAR-TASS in English 1438 GMT 5 Dec 95*

[By Gennadiy Kulagin]

[FBIS Transcribed Text] ALMATY, December 5 (Itar-Tass) — Kazakhstan elected on Tuesday 38 out of 40 members of the new upper house, with each region of the republic, except Kokshetau and Semipalatinsk, having chosen two representatives.

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Senators were elected at voters' conferences in the regions and the capital city of Almaty, Central Election Commission head Yuriy Kim told Itar-Tass.

Kim said the commission will announce the date of by-elections in the Kokshetau and Semipalatinsk regions in the near future, as they are to be held within next two months. Only new candidates can be nominated, he said.

Under the republic's Constitution, the Kazakh president will later appoint seven lawmakers to add up to 40 senators-elects.

General elections to the lower house are scheduled for Saturday.

## Kyrgyzstan

### Chechnya Head Zavgayev on 'Special Status'

*LD0512161995 Moscow Russian Public Television First Channel Network in Russian 1200 GMT 5 Dec 95*

[From the "Novosti" newscast presented by Anna Prokhorova]

[FBIS Translated Text] Today Doku Zavgayev is in Bishkek.

[Correspondent Andrey Murtazin] The Chechen Republic will have a special status within the composition of Russia. This was confirmed by Doku Zavgayev, head of Chechnya's government, in a meeting with Apas Dzhumagulov, prime minister of Kyrgyzstan.

At a news conference, the head of Chechnya reported to journalists that Boris Yeltsin had handed over to him part of his powers. Thus, Chechnya can have its representation in all countries throughout the world, the right to foreign policy activity, alternative military service, and other advantages.

Bilateral cooperation between Chechnya and Kyrgyzstan is, in the view of Moscow, part of this concept of the independence of regions and is not in contradiction to the principles of the federal structure of Russia. Chechnya can establish direct economic ties, both with the countries of the CIS, as well as with the countries of the distant abroad.

Doku Zavgayev reported that, in a few days time, the president of Russia will sign a federal program for the restoration of the republic's economy. It envisages a qualitatively new level of compensation for destroyed dwellings at a rate of 1.7 million rubles per square metre, and the volume of restoration work in 1996 will be tripled compared with that in the current year.

Although the treaty on the principles of mutual relations between Russia and Chechnya has not yet been signed [original version read "sold"], the mechanism for delineating powers has in fact been effective since Zavgayev came to power. One example of this is the present visit to Kyrgyzstan by the head of the Chechen government.

### Prime Minister Receives Zavgayev

*LD0512171995 Bishkek Kyrgyz Radio First program Network in Kyrgyz 1200 GMT 5 Dec 95*

[FBIS Translated Text] Apas Dzhumagulov, the prime minister of the Kyrgyz Republic today received Doku Zavgayev, the head of state of the Chechen Republic [title as heard]. During the talks, Dzhumagulov briefly reported on the political, economic, and social situation in Kyrgyzstan. The head of state of the Chechen Republic talked about the current situation in Chechnya, about the economy ruined by the war, and measures being taken to improve living conditions.

The Chechen government delegation, which includes several ministers was received by Anatoliy Maryshev, the deputy speaker of the Chamber of People's Representatives [non-standing chamber of parliament] of the Supreme Council.

The head of state of the Chechen Republic then held a news conference for journalists. He noted in his speech that the Kyrgyz people and Chechen people have [?long-standing] relations with one another, and that all-round measures will be adopted on this visit to reinforce these relations and to cooperate. He also said that the day before his visit to Kyrgyzstan he met Russian President Boris Yeltsin, who gave him a private letter to pass on to Kyrgyz President Askar Akayev. He then noted that up to 100 million rubles [figure as heard] of assistance was being given by the Russian Federation to improve the Chechen economy, which was separated from Russia by the war, and would be given, in particular, to each family that had been a victim of the war, and that soon Yeltsin would sign an edict on a federal program to restore the economy of the Chechen Republic.

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In addition, he said that an election for the post of head of state would be held on 17 December in Chechnya, and that many candidates were being nominated for this post at present.

At the end of his speech, Zavgayev announced that he had reached an accord with Prime Minister Dzhumagulov to sign a memorandum on developing economic, social, and cultural relations with Kyrgyzstan more widely. Deputy Prime Minister Aleksandr Moiseyev, Deputy Foreign Minister [name indistinct] Dzhekshenkulov, Russian Ambassador to Kyrgyzstan Mikhail Romanov, and other officials were present at the meeting.

The head of state of the Chechen Republic today met the Chechen diaspora in Kyrgyzstan, then he went to Chuy region and met Feliks Kulov, the head of the regional administration.

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## Armenia

### Karabakh Representative Comments on Bonn Negotiations

*NC0512143295 Yerevan NOYAN TAPAN in English 0452 GMT 5 Dec 95*

[FBIS Transcribed Text] 05/12/95 NOYAN TAPAN— "The issue of Lachin has not been discussed at the Bonn negotiations", Karabakh representative to Armenia Aleksan Harutyunyan said. He denied multiple allegations by mass media that the problem of Lachin had been settled at that round of negotiations.

Harutyunyan noted that at the Bonn negotiations both Azeri party and mediators tried to start discussions on the problem of Lachin. Participants of the negotiations suggested various proposals, in particular, it was proposed to the Karabakh side to lease the Lachin area. However, Karabakh delegation rejected these proposals as it did at the previous negotiations.

"The Lachin problem will not be discussed until the issue of Karabakh status and many other problems are resolved. However, if we are made to start discussions on the Lachin corridor, we will proceed from the fact that up to 1921 Lachin was a territory of Mountainous Karabakh".

The Bonn negotiations resulted in adoption of two documents: draft resolution on Mountainous Karabakh by the OSCE [Organization on Security and Cooperation in Europe] Foreign Ministers' Council and a report by Chairmen of the OSCE Minsk group for Mountainous Karabakh. Both documents are to be considered at the summit of OSCE Foreign Ministers scheduled for December 7 in Budapest.

### EU To Provide 111,000 Tons Grain, Flour in 1995-1996

*NC0512205495 Yerevan NOYAN TAPAN in English 1428 GMT 5 Dec 95*

[FBIS Transcribed Text] 05/12/95 NOYAN TAPAN — Head of sub- department of European Commission's Foreign Political Relations Management F. Fotiadis reported on December 1 in Yerevan that in 1995-1996 European Union would provide 96,000 tons of grain and 15,000 tons of flour to Armenia. 88,000 tons of these products have been already delivered.

This food aid is carried out within the framework of a program approved in August 1995, providing food aid for 197 million ECU to 5 CIS countries — Armenia, Georgia, Azerbaijan, Kyrgyzstan and Tajikistan. According to Jean Pierre Peters, responsible official of Eurounion's Chief Management for Food Aid, 110 million ECU of the sum are designed for rendering food aid, 35 million ECU for agricultural products supply, 35 million ECU for humanitarian aid and 17 million ECU for technical assistance.

Grain delivered to Armenia will be sold out for 165 dollars per ton which is lower that current prices in CIS countries (180-210 dollars). According to Mr.Peters, this price was set taking into account situation on Armenian market, purchasing power of the people and other reasons.

Together with Europarliament's delegation (Mr. Fotiadis and Mr. Peters are also included in it) Armenian Government discussed issue of further usage of the profit appearing after the food aid is sold, the so-called return fund. According to Armenian Minister for Relations with CIS, Eurounion and International Economic Organizations Gagik Shahbazian, the profit will total 16-17 million dollars. According to Mr.Fotiadis, 2 million dollars will be spent as authorized capital on establishment of an agricultural cooperative bank, which would start its activities next March. The rest of the sum will be allocated for purchasing domestic grain, as well as for an investment program carried out through the budget.

"European Union implements such expensive programs only in exclusive cases", Mr. Peters said. According to him, in case these programs are of long-term character they can negatively influence the economic independence of the given country.

From December to May of the current year European Union granted 200,000 tons of grain to Armenia and the received sum was earmarked in state budget for implementation of social reforms.

## Azerbaijan

### Russian Foreign Ministry Reacts to Caspian Borders

*NC0512210495 Baku TURAN in English 1305 GMT 5 Dec 95*

[FBIS Transcribed Text] Baku/04.12.95/TURAN — Official reaction of Foreign Ministry of Azerbaijan to the note of the Foreign Ministry of Russia will be worked out after the return of the leadership of the country, according to diplomatic sources in Baku.

As it was reported, the Foreign Ministry of Russia protests against the provision in the new Constitution of the Azerbaijan republic according to which part of shelf of the Caspian will be included the territory of Azerbaijan.

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"The head of the Foreign Ministry and the president of the country will be reported about that note," TURAN was told by high ranking diplomat in Baku. According to him, the note of the Foreign Ministry of Russia was not unexpected for Baku. He said that the position of Moscow on that matter was known. "The mass media and the Deputy Foreign Minister of Russia Albert Chernyshev spoke about that. But we know that the government of Russia has not a single position on the matter. Judging by the style of the note that author of the document was very nervous," Azeri diplomat noted.

"Position of Baku on the Caspian is based on the common sense. Existence of national sectors or zones in the Caspian is a historical reality. State borders on the Caspian will be at any rate. And this matter should be negotiated peacefully by all pre-Caspian states," diplomat noted.

### Foreign Minister Satisfied With Bonn Talks

*LD0512214595 Moscow INTERFAX in English 2006 GMT 5 Dec 95*

[FBIS Transcribed Text] STEPANAKERT, Nagorno-Karabakh, Dec 5 (Interfax) — Nagorno-Karabakh Foreign Minister Arkadiy Gukasyan on Tuesday expressed satisfaction with the latest talks to settle the conflict over Azerbaijan's disputed, mainly Armenian-speaking enclave.

The negotiations — one of the meetings within a peace process brokered by the Minsk Group of the Organization for Security and Cooperation in Europe (OSCE) — were held in Bonn and ended on December 1.

They were on the whole successful, Gukasyan told a news conference in the Nagorno-Karabakh capital Stepanakert.

He said the Nagorno-Karabakh delegation had been under pressure but despite this was able to have "a series of dangerous points" taken off the agenda for a session of the OSCE council of foreign ministers opening in Budapest on Thursday.

One of the points was Azerbaijan's territorial integrity, which Nagorno-Karabakh objects to being considered separately from the issue of the region's self-determination.

Nagorno-Karabakh's status should be negotiated through mutual compromise, Gukasyan argued.

He called for giving the region a provisional status where the conflicting sides would pledge not to use force to change the status quo.

He also insisted on a "package solution" to key problems since "removing one of the issues from the general context of settlement" might spark off fresh hostilities.

## Georgia

### Russian Role in Settling South Ossetian Conflict Viewed

*AU0612102995 Tbilisi REZONANSI in Georgian 30 Nov-1 Dec 95 p 16*

[Commentary by Turman Turmanidze: "The Tempo of Settling the Conflict Has Increased"]

[FBIS Translated Text] A session of the Mixed Control Commission that had been created to settle the conflict in the Tskhinvali region was recently held at the level of experts in Vladikavkaz. It was devoted to the preparation of planned negotiations on a full-scale settlement of the conflict.

A resolution was adopted at the session that was signed by official representatives from Georgia, the Tskhinvali region, the Autonomous Republic of North Ossetia, Russia, and the OSCE. It is pointed out in the resolution that the Georgian and "South Ossetian" sides will submit to each other by the end of November draft proposals "on mutual trust and ensuring security guarantees" and they will again meet in Vladikavkaz at the beginning of December to reach a mutual agreement on the proposals that have been submitted.

The Russian side has been entrusted with coordinating the groups of experts. As has become known from reliable sources, a delegation from the OSCE mission in Georgia was in Tskhinvali a few days prior to the aforementioned session and handed over to the self-proclaimed authorities Eduard Shevardnadze's proposal concerning a meeting. Shevardnadze agrees to meet the Tskhinvali leaders in Tbilisi or in any other city and to hold talks with them on the status of the Tskhinvali region. According to the same source, the Ossetian side has informed Shevardnadze that "it will not agree to a meeting on talks on status, which has already been decided as far as the Ossetians are concerned, until an appropriate historic and political and just assessment is given of the events that occurred in Tskhinvali." As is known, Eduard Shevardnadze gave a partly "appropriate" political assessment of these events some time ago, when he called the Tskhinvali war the most absurd and pointless in Georgian history, which had left a shameful stain on Georgian-Ossetian relations. In conditions of the newly elected Parliament in which there is no opposition, Shevardnadze will be able to satisfy Ossetia's remaining ambitions and it will also be possible to hold a "summit" meeting on the status of "South Ossetia."

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On the other hand, what we can clearly see is a forced tempo regarding Georgian-Ossetian talks, which is conditioned in the main by the position of the Russian side. Up to now, Shevardnadze has never expressed a desire to meet with either Ossetian or Abkhazian separatists; as can be seen, he has a real chance of achieving success at this meeting. Taking into account that there has been no change in military or political parity in relations between Georgia and the separatists, we should assume that Shevardnadze's optimism springs from his hope in Russia. According to commentators, in order to increase its military potential in Georgia (what is meant is the question of the violation of quotas of conventional armaments proposed by Russia), it is possible that Russia will get the Ossetian side to make at least partial concessions as far as its positions are concerned. This would create a "good" atmosphere prior to the initialing of the treaty on Russian military bases in the newly elected Georgian Parliament. At the same time, against the background of the "settleable" Ossetian conflict, it will become possible for Russia to minimize to a significant degree the Abkhazian question.

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## Estonia

### Tallinn Not To Change Law on Citizenship

*LD0512213995 Moscow INTERFAX in English 1925 GMT 5 Dec 95*

[FBIS Transcribed Text] TALLINN, Dec 5 (Interfax) - Estonian Prime Minister Tiit Vahi told a press conference in Tallinn today that the Estonian government did not intend to change the law on citizenship.

"The law on citizenship is one of the fundamental laws and is directly linked with the Estonian Constitution," Vahi said. "Furthermore, the parties of the ruling union within the coalition treaty have assumed not to change laws concerning non-ethnic population," Vahi said. "Certainly the opinion of the president's roundtable and foreign experts should be taken into consideration, but not for 100 percent," he said.

The U.N. committee for Human Rights and the OSCE High Commissioner for Ethnic Minorities Max van der Stoel, who visited Tallinn last week, have recommended that the Estonian government simplify the naturalization procedure. The recently created roundtable on problems of ethnic minorities has advanced an analogous proposal. The roundtable under President Lennart Meri embraces Estonian parties and public movements.

About 400,000 Russian-speakers out of the Estonian 1.5 million population do not have Estonian citizenship.

### Slovenian Defense Minister Discusses Cooperation

*LD0512204495 Tallinn Radio Tallinn Network in Estonian 1800 GMT 5 Dec 95*

[FBIS Translated Excerpt] The Slovenian defense minister has been visiting Estonia. Anne Osvet will now report on the outcome of his visit:

[Osvet] Slovenian Defense Minister Jelko Kacin, who arrived in Estonia on a 2-day visit for the first time, said at a news conference at the guard battalion today that he had had a very fruitful meeting with Prime Minister Tiit Vahi. During this meeting the two countries' economic cooperation was under discussion as well as the fact that the two small countries are largely similar in their development.

According to Mr. Kacin, at the Defense Ministry thoughts were exchanged about regional security. The Slovenian defense minister was certain that in the future cooperation between the two countries would improve so as to ensure security and peace in those regions and in the whole of Europe. Both countries have signed the NATO Partnership for Peace program. In the future Estonian and Slovenian defense forces' officers could cooperate directly.

[Begin recording] [Estonian Defense Minister Andrus Oovel] [passage omitted] With no agreements prepared, we in fact reached very serious agreements regarding the future organization of our cooperation. These will first and foremost be to send a joint delegation of the Estonian Defense Ministry, the Estonian air forces and the Estonian Aviation Department to Slovenia so as to familiarize ourselves with what they have achieved regarding the setting up of airspace control and surveillance systems. We reached an agreement about Slovenian specialists coming to Estonia to assist us with the creation of a mobilization system. [end recording] [passage omitted]

How quickly Estonia or Slovenia will become NATO members depends on us. This is what Jelko Kacin said. We must be able to learn from each other as well as teach each other.

## Lithuania

### President Urges Parliament To Apply for EU Membership

*LD0512145095 Vilnius Radio Vilnius Network in Lithuanian 1400 GMT 5 Nov 95*

[FBIS Translated Text] Lithuanian President Algirdas Brazauskas signed a decree today in which he asks the Lithuanian Seimas to pass a statement on Lithuania's application to join the European Union.

The presidential decree suggests that the Seimas could debate this issue on 7 December. Justas Paleckis, presidential foreign policy adviser, has been instructed to present the draft statement to the Seimas.

### Slezevicius Interviewed on Trip to Italy, Vatican

*LD0612124195 Vilnius Radio Vilnius Network in Lithuanian 0830 GMT 6 Dec 95*

[Studio interview with Prime Minister Adolfas Slezevicius by Adolfas Drungilas — live]

[FBIS Translated Excerpt] [Drungilas] My first question to you, Prime Minister, is about your visit to Italy.

[Slezevicius] Good morning. I had a brief working visit to Italy. The first goal of the visit was to attend a conference on investment, held in Milan. A number of representatives from various companies took part in it.

However, the most important event took place on 4 December: It was the meeting with Pope John Paul II. It was a very moving meeting indeed. The radio listeners will be pleased to know that his holiness still remembers his visit to Lithuania in every detail. Apparently, this visit made a strong impression on him. He recalled the

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places that he visited in Lithuania: the Gates of Dawn [a site of Catholic pilgrimage in Vilnius], the Hill of Crosses [another pilgrimage site near Siauliai], Vingis Park [in Vilnius], as well as other sites. His holiness recalled his visit and Lithuania in general with a great deal of affection.

He spoke very movingly about the difficult situation that some members of our society now find themselves in. His holiness was very interested to know about the economic and social situation and how the government was dealing with the related problems. He was interested to know about the cooperation between the state and the church. It seems that His Holiness is very well informed about the situation. He did not have any major criticism in our respect, and expressed a wish that relations be further maintained in the businesslike and constructive fashion for the benefit of the common interests of the citizens of Lithuania. Naturally, we must keep in line with such wishes.

We also had a meeting with Cardinal Angelo Sodano. secretary of state of the Vatican. We discussed similar topics, but we also spoke about certain work that we carry out in the field of relations between the church and schools, the Church and the Armed Forces, and in the area of returning property [confiscated during Soviet times] to the Church. We discussed the procedure for carrying out this process, so that the problem is solved in a mutually acceptable manner. [passage omitted]

Apart from that, we had a working meeting with Italian Prime Minister Lamberto Dini. We discussed a wide range of questions related to bilateral cooperation. We also touched upon the issue of the assistance of the Italian Government in returning the premises of the Lithuanian Embassy, which belonged to Lithuania before the World War II. This building is currently occupied by the Russians. We spoke about the encouragement of economic cooperation and the necessity to speed up preparation of the agreement on air transport. We expect that this agreement will be signed at the beginning of 1996, so that nonstop flights to Italy can start. This would immensely facilitate the links of our businesspeople, since travel would become much more simple.

There was also a discussion on Italy' stance at a time when this country is about to take a presiding role at the European Union on 1 January. It is very important that Italy will start to preside at the very time when the most important stage of the preparation for the intergovernmental conference is taking place — the conference which is to make decisions on strategic question related to the enlargement of the European Union. Obviously, the position of Italy in this respect is very important. [passage omitted]

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